reason

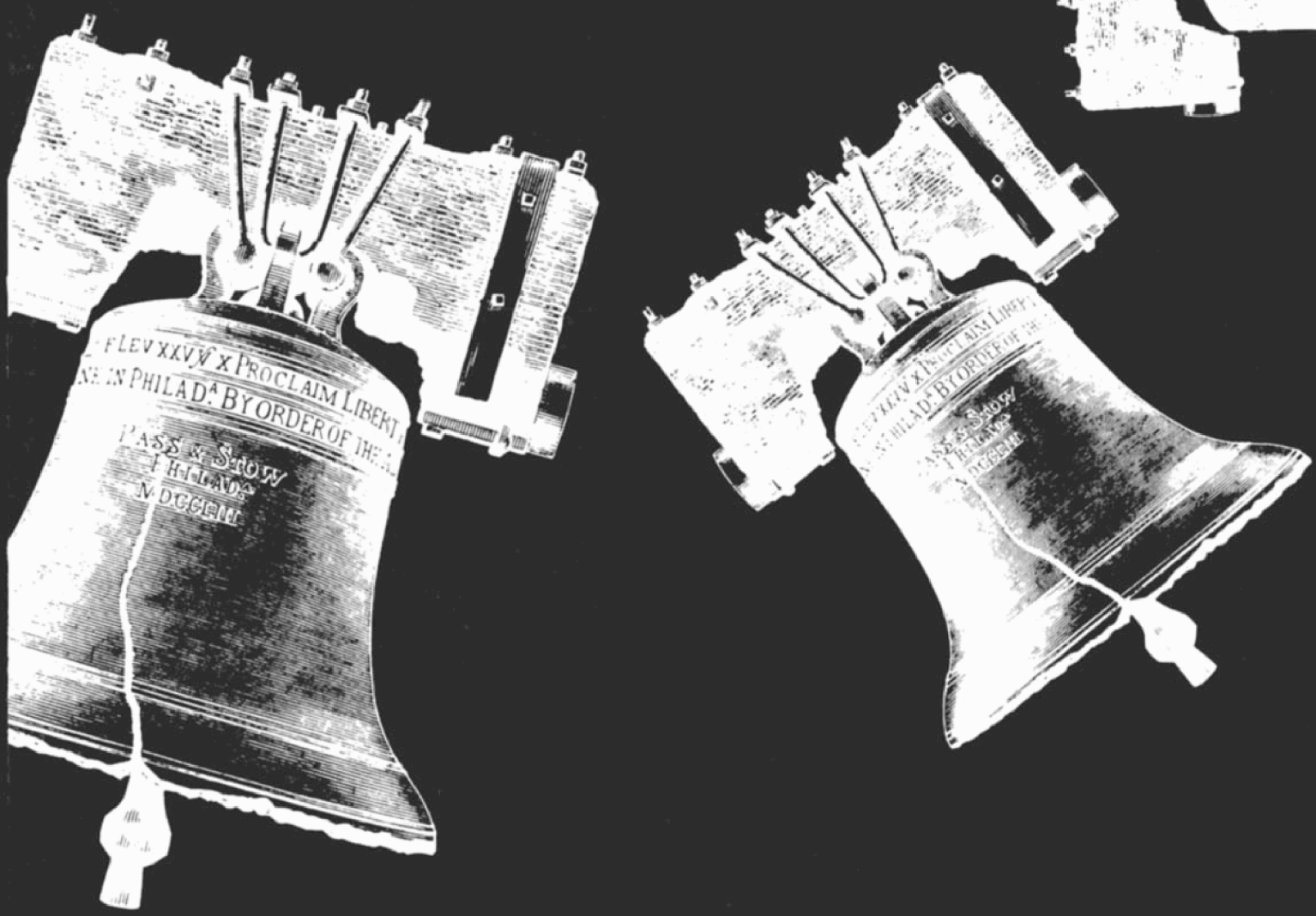
OCTOBER 1973

SPECIAL ISSUE $1.50

Freedom in the Future:
An Interview with Poul Anderson

Unmasking the "Guilt Triangle" Theory of Inflation
Paul Craig Roberts, Gary Santoni and Norman Van Cott

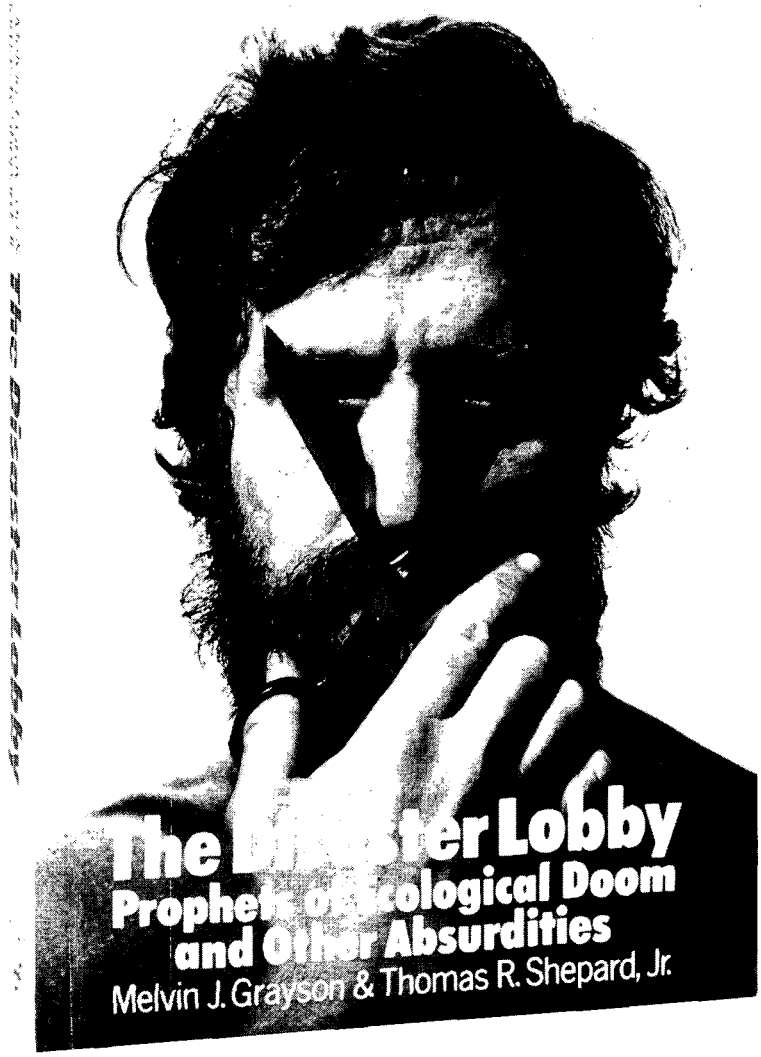
Combatting Bureaucracy:
Let a Hundred Otepkas Bloom
Gary North



LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"Few books this year are likely to set off a more furious...and serious...polarization of opinion than this massive broadside..."

Publishers Weekly



"This new book is needed to counterbalance the overwrought and often distorted claims of what is aptly called 'the disaster lobby.'"

Lee A. Iacocca
President, Ford Motor Company

". . . a very useful contribution to the continuing public debate on social trends and events."

J. S. Parker
Vice-Chairman of the Board,
General Electric

"Required reading for those called upon to defend what is laughingly known as the free enterprise system."

Andrew Kershaw
President, Ogilvy & Mather Inc.

The Disaster Lobby
Prophets of Ecological Doom and Other Absurdities

The Disaster Lobby is a coolly-reasoned, documented rebuttal to the hysterical agitation over pollution and ecology. It is a defiant and reasoned answer to the shrill voices of fanaticism . . . voices which have goaded public officials into passing a welter of unsound and often dangerous laws. The authors contend that bit by bit, these ill-considered actions are nibbling away our personal liberties and stifling the freedom of American business enterprise. *The Disaster Lobby* boldly defies these self-appointed prophets of doom and eloquently rejects their flagrant disregard of our traditional liberties.

The authors are knowledgeable and distinguished businessmen. Melvin J. Grayson was a vice president of *Look* magazine and a special assistant to Vice President Agnew. Thomas R. Shepard, Jr. was publisher of Look magazine.

at all booksellers **$7.95**

FOLLETT 100 1873-1973

Follett Publishing Co.
Chicago, Illinois 60607

reason

October 1973/Vol. 5, No. 6

Selected for distribution to members of Society for Individual Liberty

Publisher and Editor
MANUEL S. KLAUSNER

Editor-in-Chief
ROBERT POOLE, JR.

Senior Editor
TIBOR MACHAN

Associate Editor
LYNN KINSKY

Contributing Editors
David Brudnoy
Mark Frazier
Alan Reynolds
Murray N. Rothbard

Cartoonists
Randall K. Hylkema
Steve Miller

Foreign Correspondents
Anne Brincker/Denmark
R. A. Howard/Australia
Guy de Maertelaere/Belgium
N. G. Molinelli/Argentina
Larry Nelson/The Philippines
Pauline Russell/England
Marc Swanepoel/South Africa
Bill Westmiller/Canada

Departments
Charles F. Barr/Movies
Davis Keeler/Money
Lynn Kinsky/Profiles and Frontlines
John J. Pierce/Science Fiction
Robert Poole, Jr./Trends

Poetry
Wendy McElroy/Poetry Editor
Clarica Scott/Associate Poetry Editor

Design Consultant
Jim Garrison

Advertising Manager
Barbara Yorke

Editorial Assistants
Edward H. Crane, III
M. L. Zupan

Cover by Jim Garrison
Artwork on pp. 17, 21 and 25 by Tom Yorke

CONTENTS

FREEDOM IN THE FUTURE:
An Interview with Poul Anderson / Robert Poole & Clarica Scott
page 4

UNMASKING THE "GUILT TRIANGLE" THEORY OF INFLATION
By Paul Craig Roberts, Gary Santoni & Norman Van Cott
page 17

COMBATTING BUREAUCRACY:
Let a Hundred Otepkas Bloom
By Gary North / page 12

AN OBITUARY FOR MACHINES OF LOVING GRACE
Adam V. Reed / page 25

MONEY / Lloyd L. Clucas
How I Made $5,000,000 Speculating in Radish Futures / page 28

FOREIGN CORRESPONDENT:
Denmark / Anne Brincker / page 30

MOVIES / Charles F. Barr
Oklahoma Crude; The Mackintosh Man;
Emperor of the North / page 31

BOOK REVIEW / Winston L. Duke
Man Into Superman / page 33

FRONTLINES / Lynn Kinsky / page 34

TRENDS / page 36

VIEWPOINT / Murray N. Rothbard
Watergate, and the Argument from Knowledge / page 39

EDITORIAL / Robert Poole, Jr.
The New Censorship / page 40

REASON PROFILE
Charles Barr / page 41

PUBLISHER'S NOTES / page 42

LETTERS / page 44

RUDEBARBS / Randall K. Hylkema
page 48

CLASSIFIEDS / page 50

REASON is published monthly by Reason Enterprises, 294 Via El Encantador, Santa Barbara, California 93111. Tel (805) 964-4131. Second class postage paid at Santa Barbara, California, and at additional mailing offices. Copyright © 1973 by Reason Enterprises. All rights reserved.

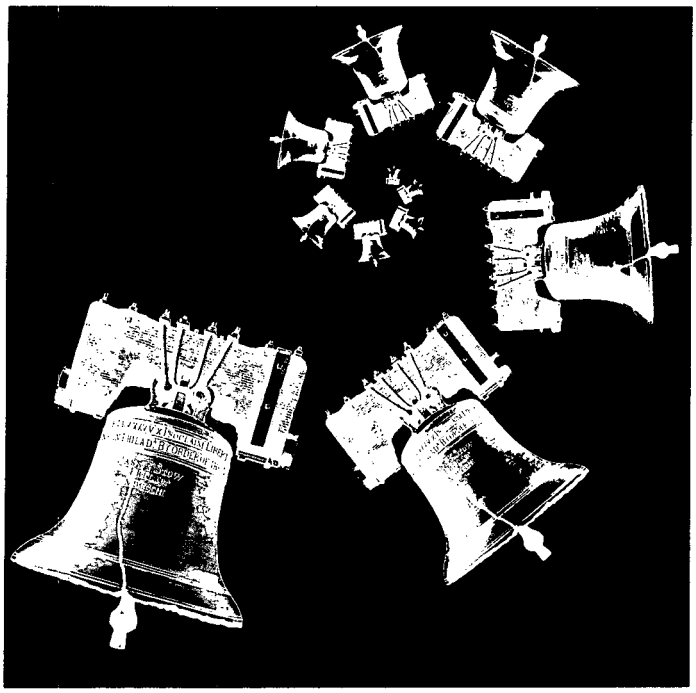
CORRESPONDENCE: Address comments, manuscripts (for return, please include a self-addressed envelope *with* postage), and subscription orders to P.O. Box 6151, Santa Barbara, California 93111. Manuscripts should include an aggregate word count.

SUBSCRIPTION RATES: Single copies, $1.00; Special Issues, $1.50. *REASON* publishes two Special Issues annually which are sent to subscribers at no extra cost. Subscriptions: one year (12 issues) in the United States, $9.00; 2 years, $17.00; 3 years, $25.00. Other countries: one year, $10.00; 2 years, $19.00; 3 years, $28.00.

Please allow six weeks for change of address. Request for missing issues older than two months from current date will not be honored unless accompanied by payment.

BACK ISSUES: Special issues $1.50; regular issues, $1.00, except for issues in short supply, which cost $2.00 and up. Write for back issue list for current prices. Microfilm back volumes available from University of Southern California, Library Micrographics Department, University Park, Los Angeles, CA 90007.

ADVERTISING: *REASON* ads get results! Before sending copy for display advertising, please write for a rate card. Send your inquiry to P.O. Box 6151, Santa Barbara, California 93111. Classified ad copy should be sent to the same address with full payment enclosed.



Freedom in the Future: An Interview with Poul Anderson

Very few fiction writers deal seriously with the business and economic aspects of the cultures they write about; still fewer write consistently about genuine individualists. One writer who does both, and who uses science fiction as his medium, is Poul Anderson.

Anderson was born in Pennsylvania in 1926, of Scandinavian parents (his first name is pronounced somewhere between "pole" and "powl"). After the death of his father, young Poul spent several years among relatives in Denmark, before returning to the United States prior to the outbreak of World War II. After several years on a Minnesota farm, Anderson entered the University of Minnesota in Minneapolis. There, he majored in physics and minored in chemistry and math, graduating with honors in 1948. Fortunately for the world of fiction, however, Anderson never practiced his ostensible profession, but managed to turn his fiction-writing hobby into a full-time career upon graduation. In the 27 years he has been writing he has turned out on the order of 250 science fiction works—novels, novelettes, short stories, and collections—including three Hugo winners. (A nearly complete bibliography appeared in the April 1971 issue of FANTASY AND SCIENCE FICTION.*)*

REASON *readers were introduced to Anderson's writing by science fiction critic John Costello (see "Poul Anderson and the Men Who Count," February 1972), who discussed the author's literary romanticism and presented the outlines of one of his libertarian-oriented future histories. As a history buff, Anderson writes with a vision broader than even most other science fiction writers, spinning tales of adventure, entrepreneurship, and diplomacy against a galaxy-wide, millenia-long backdrop. Seen from Anderson's perspective, the current "inexorable" drift toward statism is but the working out of a cycle; many of his stories picture a rebirth of merchant capitalism in an essentially laissez-faire galactic context.*

*Poul Anderson is clearly a man apart from the crowd, even within the small fraternity of science fiction writers. To explore his ideas—about philosophy, government, individualism, and his writing—*REASON *staffers Robert Poole and Clarica Scott talked with Anderson in the International Hotel, overlooking Los Angeles International Airport. Against a backdrop of giant 747s and DC-10s, the interview began.*

REASON: What was your first published science fiction story?

ANDERSON: Let's see, my first real publication was in 1947. It was a short story in *ASTOUNDING* as it was then, the predecessor to *ANALOG.* It was a very pessimistic thing called "Tomorrow's Children." Those were the days when Hiroshima and Nagasaki were still fresh in everyone's memory, and also, people were becoming more and more aware of genetic effects of atomic radiation, so this had to do with the aftermath of a nuclear war and especially with the genetic results of widespread fallout.

REASON: Was this one of the first things you had written?

Photos / Lynn Kinsky

ANDERSON: I had been writing just as a hobby for years, but I hardly ever submitted anything and was, in fact, quite astonished when this was accepted.

REASON: As I recall, that story had quite an interesting message in that since there was so much mutation going on, human beings *had to* be judged as people, *individual* people, and not simply by their exterior characteristics. Those humans who still looked like humans had to learn to accept mutants that didn't necessarily look like humans but were.

ANDERSON: Yes, and I did a couple of sequels developing the idea of a world in which standard type humans had actually become the minority.

REASON: For 1947 that must have been a startling idea to a lot of people. Of course, one of the things that science fiction does well is to prepare people for new ideas and new ways of looking at things. Do you consciously do that in your writing?

ANDERSON: No, I don't. In spite of what some people have said, I don't consider myself a preacher. But everyone who writes (just as everyone does who speaks) stands on his own philosophical platform, whatever it may be, and this is bound to be reflected. What I have tried to do, like a great many other science fiction writers, is explore different ideas, set up propositions for examination, not necessarily ones I believe in. For example, I am pretty skeptical of telepathy, and I don't believe in time travel. One makes certain assumptions and explores the consequences. On the sociological level, for instance, I once set forth, or at least had the characters who came out on top in the story set forth, the proposition that the best form of government for man is some version of feudalism.

REASON: Which we assume you don't believe.

ANDERSON: Well, I don't know. We could perhaps get into that a little later. At least it seemed to me worth while questioning yet another proposition that we all take for granted. *ANALOG* editor John Campbell had this general approach; he was always trying to shake people's intellectual assumptions, not necessarily with the idea of converting them to anything else, but at least making them examine the premises of their thinking.

REASON: Was Campbell an important influence in your development as a writer?

ANDERSON: Oh heavens, yes, on me and everybody who wrote any significant amount for him. He was a complete fountainhead of ideas; probably more than half of the classics in the field originated as Campbell's suggestions to the author.

REASON: Is that a usual relationship between editor and author?

ANDERSON: No, it's very rare. There is no replacing him and you are going to see much less in the way of these fresh ideas in the future simply because this one man is gone.

REASON: Unlike many of the "New Wave" SF authors, your own training is in science. Have you worked as a scientist, or did you start right in writing?

ANDERSON: I set out to be a physicist and took a degree in that field, but along about the time of graduation I discovered I might be able to be a second-rate scientist which wasn't too interesting, but probably my chromosomes were a little better adapted to writing for a living. Besides, writing is a field where one can be one's own boss. In fact, it's practically the last surviving free enterprise.

REASON: And is that the biggest attraction of writing to you?

ANDERSON: Well, if I inherited a million tax-free dollars I would probably still write something occasionally, though not so much.

REASON: What drew you into the field of science fiction as a writer?

ANDERSON: I always enjoyed reading it. And I keep telling young people who are interested in becoming writers themselves: One of the first rules is to write the sort of thing you like to read, write what interests you; anything else is a waste of life.

REASON: Who have been some of your inspirations other than John Campbell? What science fiction writers have you liked to read over the years?

ANDERSON: I imagine that my list of the outstanding science fiction writers would be the same as most people's. In my opinion Theodore Sturgeon is one of the best writers of any kind around, whether science fiction or mainstream, and I suspect he's probably the only one of us with any chance of being remembered 100 years from now. Probably as a writer just within science fiction I would say Robert Heinlein was the biggest influence on me. Of course, there are many other excellent ones including many of the newcomers too: Cordwainer Smith, Roger Zelazny, Samuel Delaney. The late C. M. Kornbluth was very fine; it was a great loss that he died so young. One could expand the list forever. Outside of science fiction, it's hard to say, because a person derives from an entire cultural background including an entire literature. Certainly one of the very strongest influences on me, a writer whom I fell to be absolutely tops, the one to try to match even if I can't, is Kipling.

REASON: That's very interesting. Kipling has a real feel for history which seems to be one of your strongest interests also. Have you read extensively in the field of history?

ANDERSON: In an amateur way. I don't have any academic background in it.

REASON: If you had to do it over again would you have taken your academic training in physics or some other field?

ANDERSON: I think I would have stayed with physics: it's the basic hard science. I guess it's unfair to say that science consists of physics and tiddlywinks; but physics, you might say, is the core science, and it is just about impossible to get a good background in that through self-education, whereas many other things you can at least have some hope of picking up on your own.

REASON: Have you ever had difficulty in getting published for any ideological reason—because the message that came through in your story was not acceptable to the editor or publisher?

ANDERSON: In some instances things have been turned down because they pushed the wrong button on somebody, but they have almost always found another home somewhere else. Mostly the various things which I never managed to sell were simply not very good.

REASON: I believe you've corresponded with several Soviet science fiction writers. How did that come about, and what have you learned about Soviet science fiction and the constraints under which writers have to work?

"It seems that in the Soviet Union even stamp collecting has to go through 'Big Brother.' You turn everything into a central collective that then redistributes them. Individuals are not supposed to simply swap stamps."

ANDERSON: Well, let's see, the beginning of it all goes back about 10 years when the late Ivan Efremov, who was certainly their biggest name in science fiction, wrote a letter which my agent forwarded to me requesting copies of some books that he had heard of but couldn't get there. My agent said, "I suggest you answer him politely, for the sake of international relations and so on, but tell him 'no'. You realize they are not in the copyright convention and in effect you're being asked to help pirate yourself." But my feeling was, what the heck, he was a charming pirate and I had really nothing to lose. So I sent him the books, and in the course of writing back and forth we got to be more or less pen pals. We stayed off politics by a sort of tacit consent. There was enough else to discuss. He would send me lists of books he had heard of and would like to get and I would try to get them for him. In exchange he would send me some frequently very beautifully printed things, so I feel that it was a very rewarding relationship.

REASON: What sort of problems did you encounter?

ANDERSON: Various curious matters would come out; for one thing, if you want to send any kind of book to somebody over there, be sure to send it registered mail, expensive though that is. The odds are all against its ever getting through otherwise. It will get stolen along the line, because they are evidently starved for any breath of fresh air from outside. Of course, even if you send it registered it might not necessarily get through.

REASON: Are things inspected by the authorities?

ANDERSON: Oh, it might get ripped off anyway; or censorship might stop it. Afterwards a couple of other Russians also got in touch with me and I sent them some books. One of these people was in Montreal for Expo '67, and I didn't actually meet him in person, but I did suggest to him as long as he was over here he could load up with books and take them home. He explained this was impossible. A Soviet citizen returning from abroad may not bring any books or the like in his luggage because the censorship is coordinated with the Soviet Post Office, more or less, not with the Customs, so they do the simple thing and just forbid the entry of any printed matter. Of course, foreigners coming in can evidently carry most things. At one time I was hoping to get over there, before Efremov's death, and he requested that I bring a couple of books that he particularly wanted but evidently couldn't even get through the mail, like a *PLAYBOY* volume which included the girls from Russia.

I complimented him once on the very beautiful stamps on his letters. Certainly Russian stamps are on a par with Japanese, and I mentioned that this was especially pleasing because my daughter was collecting stamps at the time. He replied that he would like to send me a lot but it was illegal to put loose stamps in an envelope. However, I should not be surprised if I started getting a great number of post cards with not much actual news on them. And also, thereafter no two stamps were ever alike on the letters I got. Somewhat later I happened to meet an American anthropologist who had done some work over there and he explained the reason for this to me. It seems that in the Soviet Union even stamp collecting has to go through "Big Brothers." You turn everything in to a central collective that then redistributes them. Individuals are not supposed to simply swap stamps. So if you have any Soviet correspondents and want to do something nice for them, put the postage on your letter in the form of as many different commemoratives as you can find.

REASON: You seem to have a facility, which not all science fiction writers share, for creating worlds and histories on a large scale. Does doing this give you a powerful, Creator-like feeling?

ANDERSON: It doesn't make me feel powerful. I really think that probably model railroaders have more of that sort of feeling. I guess I got the basic idea originally from Hal Clement, who of course is the real master of creating imaginary worlds. It occurred to me that so many science fiction stories are laid on imaginary planets which were exactly like earth except for having either different geography or history, and inhabited by humans who were exactly like us except for acting out Ruth Benedict's fantasies. So I got to thinking, wouldn't it be possible to use those same principles that Hal Clement does, in a less radical way, and try to create imaginary planets where men might be able to live but which nevertheless would not be near-carbon copies of Earth? It isn't really that difficult to do once you get the hang of it. You make certain assumptions and then from the laws of astrophysics and astromechanics and so on everything else follows. It's using what you might call disciplined imagination.

REASON: You seem to have created several large-scale future histories in which individual stories can be drawn. How many of those are there that you have identified as large scale backdrops?

ANDERSON: Actually only 2 or 3. There was one I started out back about 1950 or so, deliberately imitating Heinlein, who of course originated the future history notion. I wasn't imitating his identical history, but I was trying to do a parallel sort of thing. I gave it up in time because, like Heinlein, I found the real world catching up. For instance, World War III did not come off on schedule. There's only a couple of others and to some extent, like Topsy, they just grew. I'd write one story and then perhaps think of a sequel to it and perhaps write another story I thought was altogether different and realize it would tie in somehow with those two. So by now, for the one particular series that includes Nicholas Van Rijn, Dominic Flandry, and so on, I have to have what's practically a concordance to try to avoid inconsistencies.

REASON: Could you describe the gross outline of the history involving the Polesotechnic League, the Terran Empire and the Commonalty?

ANDERSON: In this history we survive our current troubles and set up an international order which keeps the peace, basically just a peace of exhaustion as so many of them have been in history. But scientific and technological progress continues and a couple of very critical inventions get made sometime in the next century. One is a cheap and comparatively simple nuclear energy conversion device, so that the cost of energy nose dives. The other, and this of course is what almost all contemporary physicists would say is out-and-out impossible, is a means for traveling faster than light. Like many other science fiction writers, I make the assumption that we don't know all the laws of nature there are today and may in the future stumble on something which will enable us to get around this speed limit.

As a result, man expands out into space beyond the Solar System, finding a very wide variety of worlds including other intelligent races than the human. It becomes an analog in some respects of the actual historical discovery and conquests when the New World was opened up. But operations are on an enormous scale by our standards even though automation and computerization under these circumstances have paradoxically reinforced individualism. This is because with the help of a battery of such equipment, one man or a few men or women can oversee operations of a magnitude which today would take an enormous corporate bureaucracy like Standard Oil.

Now in this exuberant frontier atmosphere with free enterprise again finding the elbow room which it must have to survive, it does in fact revive and you have an era of merchant princes. Here the analogy goes back a little earlier than the age of discovery, back to the mèdieval Hanseatic League. The companies form a combine known as the Polesotechnic League in which (since I'm assuming basic human nature doesn't change), the free enterprises discover they have what seems to them a vested interest in choking off any more free enterprise. So to some extent, the League tries to operate as a sort of loose cartel. But it's also a mutual benefit association which, for example, maintains its own currency, its own combat forces, rescue fleets, and so on. There are many joint undertakings between these companies. Because the merchants are practically unlimited in the scope of their operation, whereas governments are limited to the areas that they officially control, increasingly, governments become the victims or the pawns of the merchant princes.

REASON: Do you see the same thing already happening today with the multinational corporation?

ANDERSON: Yes, there are obvious analogies here, of course.

REASON: That was an interesting prediction to have come true so fast.

ANDERSON: Well, perhaps, let's say, the same pattern happens over and over again. After all, consider what an influence the railways had in 19th Century America. But, again, human nature being what it is, the League era draws to an end, corruption

sets in, and the League fails because of its own success. Too much wealth, overweening pride, too much readiness to use corruption or violence as the handiest tools. So at last, the whole thing collapses and there's quite a cutthroat time of troubles for a century or so. I should mention, by the way, one point I like to bear down on is that although this happens on an intersteller scale, it does not happen on a galactic scale. Not even many science fiction people seem to realize how huge the universe is. So although there have been occasional expeditions which covered extreme distances, most of this history takes place within a few hundred light years of Earth, a sphere which, after all, contains several million stars, most having planets and each planet being a complete world with all its own diversities.

Eventually the usual human solution to this kind of chaos comes about; namely, Caesarism. An Empire is formed governing from Earth, which gradually extends its influence and its power. As for its method of rule, since you could not control all these thousands of worlds closely from one center, I really draw more analogies to the Roman empire than anything else. Meanwhile, of course, other races than man have been touched by this influence; some of them have industrialized, gotten into the spacefaring business themselves. In particular, one race of beings, called the Merseians, are on their way up—a vigorous and aggressive race with imperial ambitions of their own. Well, in time the Terran Empire stops expanding, settles down, becomes corrupt, and in effect loses heart. At most, people only want to hang on to what they have. What I am thinking of here, if I may digress for a moment, is what I once remarked in an essay: that people who feel that the sex lives and drinking habits of the ancient Romans were what brought about the downfall of the empire merely prove that they get their knowledge from Italian movies. It wasn't so much how the Romans lived, it was that they stopped living for Rome. The Flandry stories take place in this twilight of empire, when it's pretty clear that the rickety structure can't hold together much longer. He hopes that he can help maintain it during his lifetime. At last the collapse does come, though I haven't gone into the dark ages yet in any detail. I think probably, again, like Rome or Byzantium, it would be a slow process. In fact, in the Terran Empire versus the Merseian Empire, I'm deliberately drawing some analogies between the Byzantines and the Persians, who you will remember wore each other down. Meanwhile there have been some quite far-flung human colonies sufficiently distant as to be more or less out of touch with these events; eventually on one of them a new concept of how to go about things evolves in the Commonalty.

REASON: What are some of the story titles of this series?

"Perhaps an organization could grow up which could offer a wide variety of services, including many that government gives, and might conceivably do this so much better than in time it would tend to displace the government."

ANDERSON: Let's see, for the merchant prince era there are a couple of collections of stories: *TRADER TO THE STARS,* and *TROUBLE TWISTERS,* and a couple of novels like *SATAN'S WORLD.* Then for the earlier imperial period I just recently published a novel called *THE PEOPLE OF THE WIND.* And for the later imperial period, the Flandry stories and a couple of novels.

REASON: What stories deal with the post-Empire Commonalty?

ANDERSON: There's only been one. It was a novelette called *Starfog.* You can find it in a collection of stories called *BEYOND THE BEYOND.*

REASON: The Commonalty represents a voluntaristic, free-market approach to government functions. Where did you get the idea for such a system?

ANDERSON: As a matter of fact, the original notion came to me years ago in Scandinavia. In spite of the generally socialistic or interventionistic nature of those governments, there are some curious areas of pretty much free enterprise surviving, including a large operation called the Falk Rescue Corporation, which you can subscribe to. It will provide all sorts of services for you: ambulance service, emergency medical service, fire assistance with fire prevention/control, and so on. Of course, they have the usual government services there too, but it's evidently worth a good many people's while to subscribe to this private organization as well. It occurred to me that perhaps an organization could grow up which could offer a wide variety of services, including many that government gives, and might conceivably do this so much better that in time it would tend to displace the government, which might find it feasible to itself become a client. I know it seems strange, but to some extent it happens; for example, the army is increasingly turning K.P. and similar things over to private contractors, and of course, defense contractors are nominally private enterprise—although that seems to be a standing joke. As I say, I have no idea

whether any such thing could be made to work in as limited a space as the Earth, but it would be interesting to explore.

Oh, another possibility, and this might conceivably help bring some such development here at home, such an outfit would presumably include banking, services of one sort or another and would issue notes in the usual manner. Conceivably these notes, by being scrupulously honored always at face value—you know, if you gave a note it would, in effect, be good for so many bushels of wheat and this value would not vary—presumably these notes could become more desired by people than increasingly inflated legal tender.

REASON: That, too, is apparently starting to happen. There's a plan starting in New Hampshire by an economist named Ralph Borsodi. He has gotten the First National Bank of Boston and a couple other banks in on a plan to start a commodity-backed money that they hope to put into circulation in competition with government money.

ANDERSON: Inflation has been called a period in which debtors relentlessly hunt down creditors and ruthlessly pay them off. It could be that people who insist on using legal tender will suddenly find that others don't want to do business with them in the first place.

REASON: What would you say have been the major influences on your political-economic views?

ANDERSON: I suppose reading, corresponding, traveling; and I have always enjoyed arguing with people with different viewpoints from mine. Particularly there have been a couple of friends who are really dedicated 19th-century liberals. I guess I started out as a fairly standard model of the 20th century, but over the years these people would keep

"Inflation has been called a period in which debtors relentlessly hunt down creditors and ruthlessly pay them off. It could be that people who insist on using legal tender will suddenly find that others don't want to do business with them in the first place."

hammering me with facts and gradually I retreated from that position. It still seems to me that the 19th-century form of complete laissez-faire liberalism, to the extent that it was tried, didn't work too well, any more than my imaginary Poleosotechnic League did; to some extent the one who paralleled the other. It seems to me that 18th-century liberalism such as expressed, say, in the Declaration of Independence and the Constitution or even in the *FEDERALIST PAPERS,* has never had a fair trial and might at least be worth trying. We couldn't be any worse off, and the whole concept is so profoundly revolutionary that we just might get into another stage of history.

REASON: Have you done any reading of people like John Locke, or John Stuart Mill, and similar classical liberals? Have they been much of an influence on your philosophy or your writing?

ANDERSON: Yes, to a large extent, but probably more so the founding Fathers of the Republic, since they had to deal with practicalities, not theory.

REASON: So your interest runs more toward doers than toward thinkers?

ANDERSON: Oh yes, because my feeling is very strong that radicalism of any kind should confine itself to theory. It's always a disaster to try to put it into practice. Radical changes do happen—consider how radical the change was from a hunting to an agricultural economy—but let them take their time. Give people a chance to assimilate them as they happen, and especially to develop institutions that can cope with them. Basically, it seems to me that the really radical thing that they came up with in the 19th century, in fact apparently too radical to stay by very long, was the concept of government by contract. The Constitution of the United States, Heinlein once had a character remark, was a contract between the people and their government. Of course, you don't have to go along with Rousseau that this

"The really radical thing that they come up with in the 19th century, in fact apparently too radical to stay by very long, was the concept of government by contract."

---

was the origin of the government; that is not true. But could it not be an ideal?

REASON: Are you familiar with Lysander Spooner's views on the later validity of that contract? Spooner claimed that it was only binding on those who were alive at the time it was adopted.

ANDERSON: Doesn't this get down to the typical adolescent complaint when things don't feel so good—well, I didn't ask to be born? However, how about this concept: that one of the most basic human rights should be the right to get the hell out. Nobody, no government, should ever restrict anyone, perhaps not even people under criminal indictment, from leaving. Of course, other people wouldn't necessarily be obliged to take them in.

REASON: How about the right of secession of your property out from under the jurisdiction of the government? Would you consider that equally fundamental?

ANDERSON: I don't know. Probably not. If you get right down to it, what does the concept of a property right in something mean? Doesn't that basically mean that you may do with it what you choose? Then there is practically no such thing as an unlimited property right. For example, I have a right not to shine my shoe (and I don't), but I do not have the right to hit you over the head. I think it could fairly be argued for example, that someone who owns a piece of land does not have the right to ruin it so that it would be of no use to future generations.

REASON: On that subject, you mention in *PEOPLE OF THE WIND* that "Government never had been too important on Avalon, aside from basic issues of ecology and defense." Now, it's easy to see that defense can be considered a function of a limited government. But could you explain why you included ecology?

ANDERSON: Probably the closest analogy would be matters of public health. At least since the germ theory of disease, it's been held that people do not have an unlimited right to dispose of possibly infectious wastes in any way they choose; if they have a highly contagious and dangerous disease, they must be quarantined; and so on and so forth. In other words, my right to walk around freely is proscribed when I have typhoid that others might catch; and it seems to me this is about as reasonable a restriction as limiting the right to practice physical violence on someone. Likewise, the general environment is something we all share. Furthermore, we as individuals don't exist in a vacuum. We don't suddenly pop into being from nowhere and blink out when we die, because we come from ancestors and an entire cultural heritage, and we are going to have descendants. In fact, the world is already full of people who are younger than us, who'll outlive us, and all these, including generations unborn, have rights too.

To a certain extent, the earth is common property, which does not of course mean that we should socialize it in the usual sense. We would do better to leave most things to individual judgment—the horrible counterexample being the Army Engineers—but it seems to me that you just don't get away from the fact that man is basically a social animal and that he's always going to interact with his fellow man. You can maximize the amount of liberty by accepting certain mutual restraints. I am only talking about rather mild commonsense ones.

REASON: Obviously, then, you don't think anarchism is a realistic alternative.

ANDERSON: Do you know the history of the medieval Icelandic Republic? It's one of the very few cases in which what you might call a form of anarchism was actually maintained for quite a long time. What happened was that in the 9th century, one king conquered Norway and brought it all under him and tried to set up a centralized community of sorts. There were a great many people in Norway, especially powerful noblemen and so on, who didn't like that one bit. So since Iceland had recently been discovered, they up and moved there, parceled it out, and settled down. The way their system worked was roughly this.

The franchised people, which in effect meant all the adult men who weren't held as slaves (and there were really rather few slaves), would meet from time to time in assemblies known as "Things." There were local Things, and then there were larger regional ones, and a national one that met once a year. There they would try cases, pass judgments, and determine if there was to be any change in the law. The letter of the law was regarded with a sort of quasi-religious reverence. There was somebody at every Thing known as the lawman whose duty it was to know it by heart, because this was essentially an illiterate society, at least in the early days before Christianity came and brought in books. But illiterate people usually have incredible memories. So the lawman

"The medieval Icelandic Republic is one of the very few cases in which what you might call a form of anarchism was actually maintained for quite a long time."

---

would stand forth at each meeting and recite the law or the relevant parts of it, and the people would listen and say, yes, yes, that's the way it is, he has it right. They all knew what they were talking about.

But to go on, they had this structure of law, and a system of trying disputes between people. Suppose one person had killed another one, as frequently happened because they were very quarrelsome, or otherwise damaged him; the Thing would judge the case and find for the defendant or the plaintiff; then either levy a fine on the offender, which was paid to the offended party, *not* to the State, or sometimes outlaw him. That meant that all protection of the law was removed from him, anyone could kill him that wanted to, without penalty. Since most often outlawry was for a limited period of time, like for three years, if a guy had friends he would get on a ship and go to continental Europe and spend the time there.

To get to the point of this long story, there was one thing lacking though, that was an executive. They had the legislature, they had the judiciary, but there was no executive. So if the Thing found for you in a case, it was up to you to collect; and if the party who offended you was stronger than you and didn't choose to oblige, that was your hard luck. The result of this was that century by century more and more small people had to put themselves at the mercy and under the protection of powerful men, become their followers and so on. The blood feuds got worse and worse between these strong families and finally in the 13th century, it became a complete horror. People slaughtering each other right and left. Then inevitably one faction intrigued to get the help of the King of Norway, and that was how Iceland fell under Norway. So I frequently bear that lesson in mind in thinking about possible anarchism. It's a nice idea as long as only nice people are involved.

REASON: That's a good point. A lot of things look a lot better on paper than they do in practice when people start figuring out the angles and what power they might be able to wield.

ANDERSON: In one story I once had a character remark on what he called the Garden of Eden theory of history, namely, the notion that at some point, and what the point is depends on your prejudices—if you're a Catholic apologist, it's the 13th century, if you're a 19th-century liberal, then it's probably early 19th—but in any event, the Garden of Eden theory says that at some point in history things were just great, and have deteriorated since and *therefore* evil people must be responsible. There has to have been a snake in there somewhere. Now we know that that isn't really the case. For example, let's say powerful labor unions came into being largely in sheer self-defense against powerful corporations. Of course, today perhaps the cure is worse than the disease, but nevertheless it had a cause.

REASON: Are you a member of the World Future Society.

ANDERSON: Yes, I am.

REASON: Do you think the futurology movement performs a useful function?

ANDERSON: Oh yes. In a way you might say that it's science fiction being put to work rather than just being armchair entertainment. John Campbell frequently said that science fiction had the advantage that you could take a social system or something and test it to destruction without actually killing anybody. Some of these futurists certainly give us a lot to think about. Yes, I would say it's a good sign. Perhaps there's some danger of our getting locked into what seems like a very intellectually attractive and plausible future and basing all our planning on that. Nevertheless, it certainly seems better to try to think ahead than just to proceed blindly as we usually have.

REASON: This is the kind of thinking that you're accustomed to in putting together science fiction stories and trying to think long range and project alternative futures. Do you agree with Alvin Toffler's idea that school children should read science fiction so that they can cope better with a changing world?

ANDERSON: I don't see where it can do any harm. They can perhaps develop a little more flexibility of mind, a little more ability to roll with the punches when something unexpected comes along. You remember Herman Kahn's remark that the greatest surprise that the future could hold would be that there would be no surprises.

REASON: I was interested in what your opinion is of the *psychological* as opposed to the political aspects, of the women's liberation movement. Do you agree with feminists who say that women tend to be programmed into passive, inferior roles?

ANDERSON: You raise a good point, but do we really know with that much certainty what the basic

statistical differences between the sexes are? For example, in the nature of the case, a woman is forever debarred from fathering a child and I am forever debarred from bearing one.

REASON: But that is not what I mean. I'm saying we will never know what the real, intrinsic differences between men and women are until we do away with artificially created differences, to whatever extent we are subject to them.

ANDERSON: Well, I'm only putting this up for discussion because I don't pretend to know either; I don't think anyone does for sure. Certainly individual women have shown high ability in any field you care to name. The question is, to what extent were they extremely exceptional in accomplishing this in spite of unnecessary handicaps? I wonder, is it not at least arguable that most of our traditions are the result of racial experience, conceivably even of instinct, frequently misunderstood and distorted, of course, but nevertheless reflecting some reality? For example, even in the countries most firmly committed to equal treatment of the sexes (I think of Israel and the Communist countries), the division of labor is not identical. Not even the Israelis send women to the battlefield anymore; they give them behind-the-line jobs. Generally speaking, it's a very sound instinct of the race that says that men should do the physically hard and dangerous work. They are, after all, more expendable than women. There's no reason why women can't be doctors—in some countries, most doctors are women. But the idea of women being combat soldiers or coal miners or something like that just doesn't sit well. And to what extent are men naturally more aggressive than women? I speak statistically, of course; there are some very shy and retiring men and some women who are hell on wheels. But speaking generally, might their glandular and anatomical difference not be reflected in some pretty profound psychological differences which we won't get away from by changing our laws?

REASON: That's all quite possible. I guess what most of the women I know in women's liberation are mainly interested in is trying to correct the error of raising young girls under the impression that anything that women are associated with is trivial, unimportant, maudlin, or sentimental; whereas man's role is always important, always grandoise, that sort of thing.

ANDERSON: Of course, we always force children to a great extent. That's what education is all about. You start with civilizing them and that doesn't come very naturally. Yes, I see your point, but perhaps some of it is a reflection of the breakdown of the extended family. In the 18th and 19th century, we had all kinds of literature at least looking on the woman, the mother, as the center of the home. Her

function was considered just as important as her husband's, although of course less conspicuous. I don't want to put you ladies down in any way, but it just might be that many women's libbers are simply feeling restless because the circumstances have taken the traditional function away from them without giving them much in return.

REASON: Could you imagine a woman in the role of, say, Nicholas Van Rijn, where intellectual, rather than physical power is the important thing? In *SATAN'S WORLD* I got the distinct impression that there were only two kinds of women: the weak, clinging type and the very cold, efficient head-of-the-computer data system company.

ANDERSON: That's a criticism that has been made of that particular book. I can only say that that happens to be the way that particular story went. On the other hand, in *THE DANCER FROM ATLANTIS,* what the whole book was about was a portrait of a completely indomitable woman.

REASON: Speaking of assertive women, have you read any of the works of Ayn Rand?

ANDERSON: Yes, I've read a certain amount.

REASON: Have they been an important influence on your writing?

ANDERSON: Certainly very interesting. It seems to me that anybody who throws a fresh idea into the intellectual marketplace is making a real contribution

"One thing I could imagine very easily developing in our depersonalized world would be . . . a new religion . . . which would make the same totalitarian demands on everybody as the original Christian church."

---

even if it isn't necessarily a practical idea. At least it makes people think. As you know from the earlier parts of this discussion today, it seems to me that there are a couple of objections to the theory of absolute individualism. One I mentioned earlier is that some individuals are too much inclined to exploit others one way or another. For that matter, even with no intention of doing harm, with the best intentions in the world, one might commit some blunder that does great damage to society, like inventing the automobile.

Also, on a more psychological level, I wonder how many people would even want complete individualism if you gave it to them. If it were a working proposition, might they not still feel themselves too isolated as individuals? For example, I don't know if you have heard of the Society for Creative Anachronism or not, the medievalists. Their thing started about six or seven years ago in somebody's backyard. It's grown like an unchecked forest fire, it's all over the country now, spreading across much of the world. It seems to me that the reason is not just that it's fun to hit people over the head or watch other people do it or parade around in fancy clothes or whatever. I don't think that that by itself will account for the enormous amount of trouble people take and the real devotion that it inspires in many. I think it's fulfilling a lack that has developed in our society—that we have in a sense become too efficient and too impersonal. We have done away with too many rituals, we have freed ourselves from too many individual obligations, and for many people, if not all, this is not a good condition to be in.

REASON: Alvin Toffler, in talking about future shock, anticipates something like this in proposing enclaves of the past where people could find some sort of refuge, at least for temporary periods, to retain a sense of continuity, and preserve certain traditions that seem to be fast disappearing.

ANDERSON: To some extent, of course, this happens, although it's kind of artificial. But, you know, one thing I could imagine very easily developing in our depersonalized world would be either a new religion or a revised form of an old one which would make the same totalitarian demands on everybody as the original Christian church. In fact, I sometimes wonder if modern totalitarianism, especially in Western countries, may not to some extent be a forerunner of that. It's been observed often enough that Communism is a religion of sorts.

REASON: Are you of the opinion, then, that extreme individualism would create enough mutual alienation that individualism would be sacrificed in the name of community?

ANDERSON: At least I think there would be such a tendency. Therefore, I like to hark back to what would be an idealized version of the early American republic. It had many things wrong with it, including many quite unnecessary compulsions, but nevertheless basically there you had strong institutions, meaningful ones with a great deal of tradition behind them, which people were not compelled by laws to subscribe to but in which they wanted to believe. This would seem to me to be a healthy condition.

I reached a definition of freedom once which seems to satisfy me, although I would be interested to hear debate on it. It started with the reflection that totalitarians, like dedicated Communists I've known, speak of themselves as free people and work toward bringing freedom to the world and so on. It occurred

I think it's definitely worthwhile and necessary to keep holding up the ideal of freedom and trying to get it across, not compromising on it philosophically, in fact keeping up efforts to roll government back."

---

to me that they sincerely believed it and it isn't necessarily even too much a perversion of the meaning of the word "freedom". This is what they want. They simply fail to see that the rest of us might not want the same. Then it occurred to me there are many things that all of us, all ordinary people, are quite free to do legally which they don't because it is distasteful or they would consider it immoral or something like that. They don't want to, and you could say they have been conditioned that way by the civilizing process. So how about saying freedom is being in a cage which reaches further than you want to fly?

REASON: That's somewhat like Harry Browne's definition of freedom as being able to live your life the way you want to live it. Where do you see American culture headed at this point? And what do you think of the prospects for freedom, of getting away from the tendency toward a centralized government bureaucracy? Do you see any real hope for a return to a more individualistic society?

ANDERSON: Well, I don't know. It could go many ways, and of course, a good bit of it is completely out of our control. For example, a major war would be bound to influence our internal evolution, probably for the worse, although there would certainly be some possibilities of getting away from the complete overwhelmingness of government. You may have read a novel of mine called *THE BYWORLDER* laid in the year approximately 2000, in which the suggestion was that within the rigid framework of a nominally managerial State, most individuals would be going their own ways simply because there were no great demands on them, setting up their own little institutions here and there, a tendency which has always existed within an industrial society once it got well organized. Industrialism actually provides for more individual diversity than any other system. So we might go that way. I don't think the case is hopeless by any means, except that it certainly will be if we give up hope. I think it's definitely worthwhile and necessary to keep holding up the ideal of freedom and trying to get it across, not compromising on it philosophically, in fact keeping up efforts to roll government back.

REASON: Are you familiar with the libertarian movement as an organized group of people trying to do this?

ANDERSON: Not very much. I know about the Libertarian Party and so on, but I haven't had the opportunity to attend any of its meetings. I gather it's typical of American political parties, being quite a diverse group.

REASON: The political party is only a small part of the movement—the tip of the iceberg of a group of people trying to spread and popularize the ideas and rationale for a free society.

ANDERSON: To some extent, the excesses and duplicities of government have produced a cynicism which could have unhealthy effects, but in itself it is a healthy thing to the extent it will encourage people to go ahead and do more for themselves.

REASON: Some writers, perhaps yourself included, hold that the existence of a frontier tends to have a strong effect on maximizing freedom and free enterprise. Do you think that settlement of the oceans and/or colonization of the moon or Mars would tend to have a strong effect of that sort?

ANDERSON: Again, that would be a question of technology, I would say. For example, people very frequently complain about the astronauts being just a bunch of organization men. Well, actually they are very much individual men, but as far as working together goes, what can they be except an organization? We just don't have little individual space ships that you can fly to Mars by yourself by the seat of your pants. Closer to home, this would be true of the oceans. Besides, what you can do with the oceans, I'm afraid, is much more limited than some enthusiasts believe. And the other planets of the Solar System don't look like particularly desirable real estate except as places to gather scientific knowledge. So unless we ever do get an interstellar drive, I really think more and more we are going to have to start finding the frontiers within ourselves. And I see no apparent reason why we couldn't.

REASON: I seem to detect a certain amount of elitism in your writings. Do you see a definite need for some kind of an elite, whether intellectual or otherwise, as a carrier of civilization and preserver of culture?

ANDERSON: I think inevitably you will have an elite, simply because if you take any kind of ability, the population lies on a distribution curve with respect to it; some people have more talent, some

less, and of course, there are many different kinds of ability. I think you will always find a small minority doing the great works of art, a small minority making the great scientific discoveries, a small minority providing the political leadership, and so on. I suppose though, the important thing would be in the first place to have enough social mobility so that it's always possible for those whose nature is so equipped to get into the appropriate elite, so that they aren't held down artificially. Then, second, ideally not to glorify or exalt one kind over another. That is to say, the wise society would look on its scientists, politicians, its artists, and everybody else with equal respect.

REASON: I'm a little bit surprised that you include politicians in the same category—I detect in many cases a certain cynicism and contempt for politicians in your writing.

ANDERSON: Some characters do show it in some situations. After all, politics is probably the most fragile of all the arts, the most difficult. It breaks down so often, in which case probably individual leadership has to come from outside the usual political process. There is something to be said for the idea of an established aristocracy with a long tradition behind it, high standards, and organization. You might possibly do as the Romans and Japanese did, adopt promising children into it. I'm not saying I would advocate that, because where it will end is all too obvious. I'm just saying that such a system will sometimes work for awhile, for a few generations, reasonably satisfactorily. A story or two of mine may have happened to deal with such a period.

REASON: In *REASON* in February, 1972, John Costello said that you write about or depict in your stories "Man the doer, man the achiever—the men who count." Would you agree that this is an accurate description of the kind of people you write about?

ANDERSON: I suppose so, mostly. After all, those tend to be the kind of people who have the most interesting lives. Their stories are apt to be more interesting, at least to me.

REASON: You have written several stories about a Galactic Patrol that keeps the peace without the use of deadly force, relying mainly on psychology and intelligence. In the introduction that Groff Conklin wrote for one of these stories he stated their thesis to be that peace is to be *bought,* rather than kept or enforced. Do you think that idea could work in practice? Would you view something like the CIA as a viable *alternative,* perhaps, to nuclear arms?

ANDERSON: Probably one can't take it too seriously except as a sort of parable, because ultimately no amount of debate and intrigue will give any real answer to a machine gun. Certainly, though, it seems to me we could resort to force much less than we do. In fact, ideally force should be the last resort. To some extent this is a fairly stable situation in a well-run neighborhood. The force is potentially there in the form of a policeman, but between the courts of law and other nonviolent means of settling disputes, the policeman may never have to fire a shot.

REASON: But the question is, harking back to the Icelandic example, how well or how long would the nonviolent method function without that force in the background?

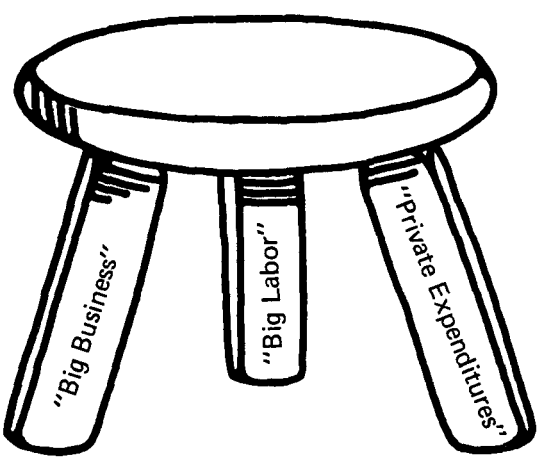
ANDERSON: There have been societies which got along quite well without anything like what we think of as government. This is the case in most primitive societies, really; the Eskimo are a classic example. It's worth bearing in mind, though, these have all been people who have had to work very hard for their living. They never had too much energy to spare. Moreover, they lived in small groups where everyone knew everyone else face to face. In fact, I have a notion (and this is just a notion—it may have no validity at all); if you stop to think how man evolved—remember the hominid animal is tremendously old—until yesterday, geologically speaking, we always did live in such little bands. It would seem to me that our instincts evolved that way in that situation, so that to try to live in larger groups is quite an unnatural thing, and this may very well be the origin of the excessive use of force, the common use of violence among people.

REASON: So perhaps it's our complex civilization that's the problem.

ANDERSON: Yes, if you are going to try to have a large community at all, so large that no individual knows all the members, you just have to knock some heads together. Or as Sprague de Camp once remarked: *"Man being civilized is like a bear riding a bicycle, the wonder is not that he does it poorly, but that he does it at all."* ◻

Unmasking the "Guilt Triangle" Theory of Inflation

Paul Craig Roberts,
Gary Santoni
Norman Van Cott



Ours is a period of extensive allegations about the social irresponsibility of big business and big labor. As professional economists we want to put in a plea for a balanced record by focusing on the social irresponsibility of big government and its apologists. In a time when everything is being exposed, we want to contribute our part by unmasking wage-price controls and the "guilt triangle" theory of inflation.

Wage-price controls are an attempt *to adjust the economy to the cause of inflation.* Price controls "work" only by interrupting the normal functioning of markets. When the normal functioning of markets is interrupted, economic inefficiencies result. Thus, the "success" of controls varies directly with the number of economic inefficiencies that the controls create. A fundamental tenet of economics equates economic inefficiencies with economic failure. This article explains the "success through failure" paradox inherent in any system of wage-price controls, and argues that the existence of corporate and labor monopolies is not the cause of inflation. Inflation has its origin not in monopolies, but in money creation by the government. Wage-price controls have their origin not in infaltion, but in an effort to subordinate private interests to the interests of government.

SUCCESS THROUGH FAILURE

The first principles of economics show that wage-price controls can succeed only by causing economic failure. It is a law of economic science that the only equilibrium price is the price at which all buyers can find a seller and all sellers can find a buyer. At the equilibrium price the market is said to clear. *Even a monopolist* prices his product such that the market clears. In an inflationary economy, the average of all equilibrium prices will rise. Some individual prices will increase by more than the average, others will increase by less than the average, and others may even decrease. Differences in the rate and direction of change of individual prices will result from particular technical advances and shifting consumer tastes. On the average, however, equilibrium prices will be increasing. But in the absence of controls all markets will clear.

Given these unalterable facts, what impact can wage-price controls have on an inflationary economy? If the controlling agency sets individual prices such that each market clears, then the agency is simply duplicating the market system: The price level (the average of all equilibrium prices) will continue to increase. In this case it is obvious that the control agency is a redundant input into the economy's production and distribution process. Therefore, the controllers will try to "do something" about the inflation by fixing individual prices at levels that are artificially low; that is, below equilibrium or market clearing levels. As a result shortages will emerge in the

controlled markets. In other words, the only way controllers can avoid being a redundant input is to set prices such that all buyers cannot find sellers. Shortages in the controlled markets will result in rationing, black markets, preferential allocation by sellers, and many other discriminatory means of allocating a limited supply among competing buyers.

This is a perversion of the function of government. The government's price control officials will find that their success is directly related to the amount of rationing, black markets, and other forms of discrimination which they create. Even *Communist economists understand this!* For example, Tibor Liska, a Hungarian, has written:

> In the case of free price movements, not even the most reckless floating of money can result in a general shortage, as prices may always rise to a higher level in order to absorb the growing quantity of money. In open inflation, the balance of demand and supply is attained again and again at a constantly increasing level of prices. But if, in order to avoid an inflation in prices, prices are fixed by the state via administrative measures, the total money demand can exceed the total money price of the goods supplied. This means waiting in more and more lines trying to purchase goods. From the lines getting longer and longer, the situation would soon become that only those heading the line would be able to buy anything for their money if the state did not intercede with some kind of ration system. That is, the state must determine what firms are to be allowed to purchase what resources and what consumers are allowed to purchase what goods.

Every economist knows that the state has no rational criteria by which to make such decisions and that the state's efforts to ration goods and resources result in wastage and loss of real national income. Aside from these economic costs, such a way of running an economy greatly reduces our individual liberties. *It amounts to an economic police state.*

THE REAL CAUSE OF INFLATION

What is consistently overlooked by advocates of wage-price controls is that the level of prices measures the rate at which money is exchanged for commodities. Consequently, there cannot be a rise in the price level unless the amount of money in the economy rises relative to the commodities available for purchase. In spite of all the recent theories and new jargon, the above statement is incontestable. If prices are to continue to increase through time, the supply of money must continue to increase relative to production. The growth rate of the money supply is determined by the government. The rate of growth in production depends primarily on the growth in quantity and quality of capital and labor inputs. Since the latter growth rate is to a great extent outside the purview of the government's (or anyone's) control, inflation can only occur if the government carries out an expansion of the money supply which is too rapid relative to production.

THE GUILT TRIANGLE

This simple but accurate description of the cause of inflation stands in vivid contrast to the "guilt triangle" theory of inflation, an erroneous theory extremely popular today. Two corners of the "guilt triangle" are "big business" and "big labor." Government officials place the blame for inflation on both business and labor for raising prices and wages. Arthur Burns, Chairman of the Federal Reserve Board of Governors, in testimony before the U.S. Congress, stated that "the structure of our economy—in particular, the power of corporations and trade unions to exact rewards that exceed what could be achieved under conditions of active competition—does expose us to upward pressure on costs and prices that may be cumulative and self-reinforcing" (*FEDERAL RESERVE BULLETIN,* February 1973). A Democratic administration may place more of the blame on business while a Republican administration may attribute more of the guilt to labor unions.

Labor unions plead innocence, saying that if business had not raised prices, labor would not have had to demand wage increases above increases in productivity. Business counters labor's argument by claiming that it was labor's exorbitant wage increases which forced them to raise prices. Each tries fruitlessly to benefit at the expense of the other, and these accusations repeat themselves over and over despite the fact that a continual rise in the price level cannot occur unless the government injects money into the economy at too rapid a rate.

Arthur Burns, the Chairman of the organization which has created the money that has caused the inflation, argued in his statement to Congress that the danger of a cumulative and self-reinforcing price spiral is so close at hand and of such proportions that "the very future of the American economy depends on getting better control of our stubborn inflationary problem. Early extension of the Economic Stabilization Act, and its effective implementation by the administration are essential." To imply that inflation can be stopped through wage and price controls is to argue that it is rising wages and prices which are the cause of inflation. This is as unsophisticated an explanation of inflation as a meteorologist claiming that the reason it rains is that drops of water fall to the ground!

By placing the blame on the private sector and by generating accusations of guilt between business and labor, the government divides and conquers. If labor and business do not soon realize that their common enemy is big government and

unite against it, they will lose their autonomy.

The third hapless corner of the "guilt triangle" is private investment and consumption expenditures. Since wage-price controls cannot cure inflation, but only suppress it, sooner or later individual private expenditures must come under fire by government officials. When this point is reached apologists of big government suggest a tax increase as an antiinflationary policy. The purpose of a tax increase is to reduce private expenditures relative to government expenditures. In other words, private after-tax incomes must decline in order that government expenditures can continue to grow. An increase in taxation is not an antiinflationary policy, but a mechanism for redistributing national income from private to public spending. Thus, the argument for a tax increase as an antiinflationary policy is merely a convenient guise for the real purpose of ideologues who think that private spending is excessive relative to public spending. If private individuals, whether Democrats or Republicans, do not soon realize that big government is their common enemy, they will lose their incomes.

Implicit in the "guilt triangle" theory of inflation is the idea that prices are somehow forced upon consumers by socially irresponsible business firms and that wages are forced upon business firms by socially irresponsible unions. This erroneous theory neglects the fact that **in a market economy trades cannot be forced.** Trades are voluntary transactions. Anyone who enters into a trade does so because he believes that the trade will improve his situation. To complain that trade "forced" such and such a price is ludicrous. No one will enter into a trade that makes him worse off. Prices simply reflect the choices that people make.

Also implicit in the "guilt triangle" theory is the idea that private spending decisions are socially irresponsible whereas government spending decisions are always socially responsible. It is a disturbing commentary on the success of government propaganda that this idea is so prevalent during a time when it has become increasingly clear that government has purposes of its own that are independent of any public interest or any political party. *The "guilt triangle" theory of inflation is a mask for the self-interest of government which can only expand by discrediting the efficacy of private interests.*

MONOPOLIES AND THE PRICE LEVEL

Some economists, such as Professor Houthakker of Harvard University, have used the controls-inflation issue to argue for the elimination of business and labor monopolies (*BARRON'S,* 8 November 1971). The monopoly issue is a red herring. Arguments that connect the elimination of monopolies with antiinflationary policy support the government's "guilt triangle" theory of inflation. Although monopolies might contribute to a higher price level by restricting output, *monopolies cannot inflate the economy.* The presence or absence of monopolies does not affect the government's ability to create money.

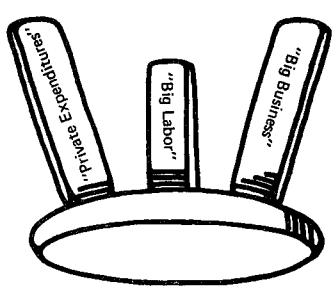
Consequently, if proposals such as Houthakker's were adopted, their only effect on the price level would be to cause a one-time decline resulting from a one-time increase in output. After the elimination of monopoly, just as before the elimination of monopoly, the price level would be determined by the rate of change in the money supply relative to the rate of change in output.

Once monopolies were eliminated, two corners of the "guilt triangle" would be eliminated, leaving private consumption and investment expenditures as the government's only scapegoat. Thus, the full brunt of the government's "antiinflationary policy" would fall on private disposable incomes. Since Americans are unwilling to vote higher taxes on their incomes in order for the government to grow relative to the private sector, the game plan of the "progressive intelligentsia"—the handmaids of big government—is to achieve an increase in taxation under the guise of fighting inflation.

The "progressive intelligentsia" have no vision of economics and politics as the balancing of rival interests. Theirs is a highly simplified outlook: On the one hand is the public interest, identified with big government, self-evident and beyond questioning by an upright person; on the other hand are private interests, selfish, sinister and illegitimate.

Instead of exercising restraint over its own spending and money-creating activities, the government seeks to impose controls on what it sees as selfish and sinister private interests in order to harness them to its purposes. The fundamental freedom of buyer and seller to agree upon price can be destroyed, and private after-tax incomes decreased, without making any dent in the real cause of inflation. ◻

Dr. Paul Craig Roberts is a research economist at the Hoover Institution on War, Revolution, and Peace at Stanford University and has published two books and numerous articles, including "Who Are the Imperialists?" which appeared in the August 1973 REASON; *Dr. Gary Santoni is a professor of economics in Kansas; and Dr. Norman Van Cott is a research economist at the U.S. Department of Labor.*



COMMITTEE FOR THE

ANTI-INFLATION AMENDMENT

To the Constitution of the United States

1. HARD CURRENCY MANDATE

After considerable research by economists, many people have come to the conclusion that economic problems—inflation, unemployment, depressions (and obviously the taxes to cure them all)—are **caused** by the Federal government, as it mismanages the money of the United States. The money supply fluctuates: when it expands too fast, we get inflation; when it slows down, we get unemployment. Americans are forbidden to own gold, and the balance of payments is overdrawn because of depreciating money. We the People can end all of that by passing a law to discipline our government:

> Section 1: IT SHALL BE THE POLICY OF THE TREASURY OF THE UNITED STATES TO STABILIZE THE SUPPLY OF CASH NOTES AND FEDERAL CREDIT IN CIRCULATION, AND THEREBY TO PRESERVE AND INCREASE THE PURCHASING POWER OF THE CURRENCY OF THE UNITED STATES.

This policy could be accomplished even without the Amendment in a number of ways, but confusion about controlling interest rates, as opposed to the quantity of money, has led us into inflation. The precise way chosen to achieve this policy (the issue is very complex) would be up to the Congress, the President, and the Federal Reserve System. Among the ways would be either using the commodity price of gold, or any group of commodities, as a base price, or by fixing the quantity of money, or the rate of monetary expansion, by law.

IT IS TIME TO FOCUS PUBLIC ATTENTION ON THE ECONOMIC ISSUES.

2. WAGE AND PRICE CONTROLS UNCONSTITUTIONAL

We should now be able to get rid of those unfair and unwise wage price controls. Everybody—Democrats and Republicans alike—all want to get rid of wage and price controls "as soon as possible." The time is **right now!** The controls were never needed, and the Anti-Inflation Amendment will prevent the need for controls in the future.

> Section 2: CONGRESS SHALL MAKE NO LAW RESTRICTING THE FREEDOM OF WAGES AND PRICES. THE RIGHT OF CITIZENS TO MAKE CONTRACTS AND TO TRADE FREELY AMONG THEMSELVES SHALL NOT BE ABRIDGED.

This idea has been suggested by George Meany, President of the AFL-CIO, and by George McGovern during his election campaign. Richard Nixon supported this principle until 1971, and may someday support it again. In addition to this general statement, we propose the following specific definition of economic freedom as an important addition to the constitution of the United States:

IF YOU SUPPORT THIS PROPOSAL, SEND YOUR NAME TO THE COMMITTEE.

3. CARTEL MONOPOLY PRICES FORBIDDEN

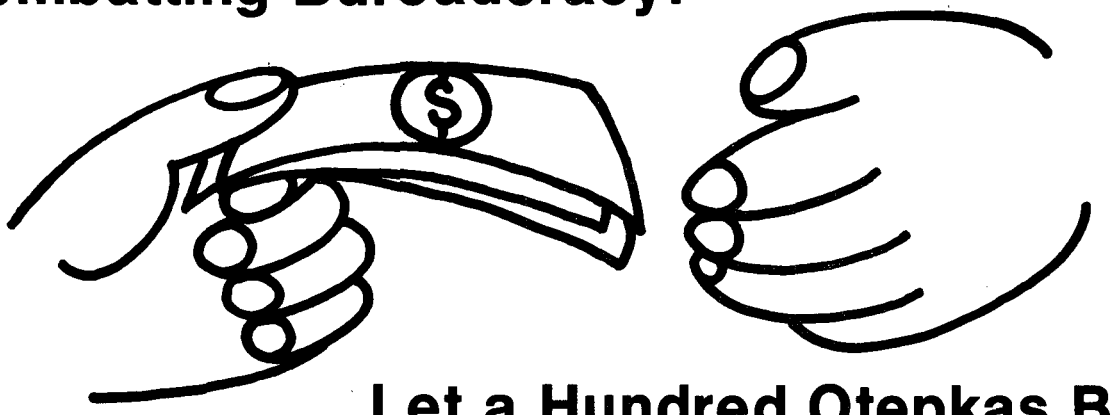
The government not only causes inflation and economic depressions, it sometimes makes things worse by price controls in favor of certain vested interests, and cheats the consumers because **competition** is against the law. We need competition in our free economy to make the system work.

> Section 3: THE GOVERNMENT OF THE UNITED STATES, OR OF ANY STATE, SHALL NOT, THROUGH ANY LAW OR ADMINISTRATIVE ACTION, PREVENT OR FORBID ANY PERSON OR CORPORATION FROM OFFERING FOR LEGITIMATE SALE OR FROM LOWERING THE SALE PRICE OF WHATEVER GOODS OR SERVICES MAY BE COMMERCIALLY TRADED.

This idea was first suggested by Milton Friedman. All it says is that consumers deserve the lowest prices possible, and the government should not obstruct competition in any way.

FOR INFORMATION WRITE TO THE COMMITTEE, BOX 4691, CHICAGO 60680

Combatting Bureaucracy:



Let a Hundred Otepkas Bloom

Gary North

Bureaucracy is unquestionably one of the chief cornerstones of the process we call modernization. There is no industrial nation which has been able to avoid the use of bureaucratic technique as a means of administrative control over almost every sphere of human existence. Bureaucratization appears to be relentless, irreversible, all-pervasive. Adopted in the name of efficiency—which it undoubtedly is; in comparison to feudal patrimonialism or oriental satrapy—it shows extraordinary capacity for fouling up. Technically a superior form of control, due to their impersonalism, routinized planning, and predictability, bureaucracies are found to be bastions of arbitrariness, inertia, and back-stabbing (both intrabureaucratic and extrabureaucratic). They appear to be efficient up to a point, but their very insatiability for control draws them into counterproductive expansion. The bigger their budgets, the more they resemble institutional dinosaurs.

TRADITIONAL BUREAUCRATIC THEORY

The work of the great German sociologist, Max Weber, was (and remains) the indispensable starting point for any serious discussion of the forms of bureaucracy. Standing before the students of Munich University in 1918, he predicted that the spread of bureaucracy would continue, undaunted by opposition from politicians, impelled by the inner logic of its structure. Weber explained why political power is incapable of reversing this trend:

> The power position of a fully developed bureaucracy is always great, under normal conditions overtowering. The political "master" always finds himself, vis-a-vis the trained official, in the position of a dilettante facing the expert. This holds whether the "master," whom the bureaucracy serves, is the "people" equipped with the weapons of legislative initiative, referendum, and the right to remove officials; or a parliament elected on a more aristocratic or more democratic basis and equipped with the right or the *de facto* power to vote a lack of confidence; or an aristocratic collegiate body, legally or actually based on self-recruitment; or a popularly elected president or an "absolute" or "constitutional" hereditary monarch.

But for those of us who see such an irreversible force in our lives as a threat to personal freedom, what can be done? A half a century before Theodore Roszak gave us *THE MAKING OF A COUNTER CULTURE,* Weber predicted its arrival. People will, he said, turn to nonrational forms of expression in art, sexuality, and religion. What he did not see was the extent to which even sexual activity and nonrational religion could be subjected to the bureaucratic canons of technique and planning, and how modern irrational art could be mass-produced to meet market demand. On his terms, there is no escape.

Weber's contemporary, Ludwig von Mises, went a step beyond Weber in his crucial book, *BUREAUCRACY,* published first in 1944. Mises argued that classical bureaucracy is only half of the picture. There are two forms of organization in the

---

Gary North is an economist on the staff of the Foundation for Economic Education in Irvington-on-Hudson, NY. He holds a Ph.D. from University of California, Riverside. Dr. North has written several books and his articles and reviews have appeared in numerous periodicals, including THE JOURNAL OF POLITICAL ECONOMY, MODERN AGE *and* THE FREEMAN.

modern world, similar in appearance, but very different in goals and structure. The first is bureaucracy; the second is profit management.

Bureaucracy operates in the way that it does because of its method of financing. It is supported by taxation. Thus, political representatives are required to delegate the authority to supervise expenditures to officials within the bureaucratic chain of command. Each official is responsible to a higher authority for the expenditures made by his subordinates. This insures that, in theory, there will be no administrative cost overruns, and that each dollar will be spent for a specific, previously agreed upon, function. Bureaucracies are past-oriented: past budgetary allocations, past rules, past administrative decisions. Bureaucracy is therefore suited to law enforcement, where you do not want instant creativity, but where you do need formal legal predictability to preserve freedom and to plan rationally. For creative purposes, another system is necessary.

PROFIT MANAGEMENT

The profit management system is the alternative. It has no guaranteed budget, no coercive power to tax, no predictable response for every situation. It produces for a market, requiring entrepreneurs to predict the future and plan for it rationally. (That is why a free market requires a formally rational legal system, as Hayek has argued for decades, and which Weber argued before him.) Customers are sovereign, and they can change their minds. Where bureaucracy's universal rule is "don't make a mistake," the universal rule for profit management, sent out to each level of the structure, is "make a profit." Where the bureaucrat is a master at "looking it up," the entrepreneur must guess, take risks, and deal with uncertainty. The firm must be flexible; responsibility must be delegated; and success can be measured directly, unlike in a monopolistic bureaucracy which does not face competition.

Modern corporate structures seem to be bureaucratic. How can we explain this? Look to the financing; that is where sovereignty lies. The State is remaking corporate management in its own image. It imposes controls, bureaucratically administered: price and wage controls, profit maximums, minimum wage laws, fair employment rules, tax schemes favoring centralization and concentration, tariffs, direct subsidies, below-cost loans, administrative law by executive fiat. The State buys products, but only from companies following guidelines set by the State—guidelines for social change favored by the bureaucrats and politicians—and not simply in terms of low bids. Everywhere it reaches, the State furthers the creation of more bureaucracy.

Sadly, people fail to recognize the distinctions between the bureaucracy and the free market management structure. Martin Luther King used a voluntary boycott of the local municipal bus system, and brought the limited, but meaningful, changes that he aimed at. Then he pressured the State to enact new laws, write new rules, redefine old statutes. The result was discrimination: urban renewal (Negro removal), minimum wage laws, bureaucratic inefficiency. Ralph Nader helped to destroy the Corvair's sales, and he achieved his goal: the elimination of a substandard product. Now he appeals to the State to cure the problem, relying upon bureaucracy rather than the profit motive to bring change. But bureaucracy, above all, opposes change—nonbureaucratic, private change, that is. Nader would regulate industry rather than exercise his sovereignty as a consumer. He will fail. If you want change, on a free market you can buy it.

WHAT TO DO?

How, then, can we reduce bureaucracy? The least efficient way to change a bureaucracy is to elect a new government. As Weber said, bureaucracy goes on, even when a foreign power conquers. It resists tampering by "dilettantes." When Nixon entered the White House he had the option of firing some 15 State Department officials; the other 20,000 were under civil service or union protection. Besides, institutional secrecy shields those who deviate from the President's instructions. How can the political official know what is going on, unless he relies on an occasional Otto Otepka?* And Otepkas are unpredictable; they sometimes turn out to be Ellsbergs. As Weber wrote:

> This superiority of the professional insider every bureaucracy seeks further to increase through the means of *keeping secret* its knowledge and intentions. Bureaucratic administration always tends to exclude the public, to hide its knowledge and action from criticism as well as it can. . . . This tendency toward secrecy is in certain administrative fields a consequence of their objective nature: namely, wherever power interests of the given structure of domination *toward the outside* are at stake.

Therefore, political power against the bureaucracy can be wielded effectively only through indirect means. The first, and most crucial, means of control is the budget. If legislators will not face this fact and exercise power, there is no hope for real change in the expansion of bureaucracy. The tax

*In the early 1960's, Otto Otepka, a State Department official, blew the whistle on some of his superiors by slipping crucial data to Congressional investigators. This breach in bureaucratic procedure was in poor taste, Liberals said, and pure patriotism, Conservatives said. He is not to be confused with Daniel Ellsberg, both Conservatives and Liberals assert.

revolt is our best weapon. *Vote no* on the bonds, always. *Vote no* on every tax override. *Vote no* on men who will not vote no. Avoid all political messiahs, avoid faith in political salvation, but *vote no* on tax increases.

This, however, does not solve the secrecy problem. I therefore make the following proposal. For every lie offered to a Congressional investigating committee by a senior bureaucrat, cut that department's budget by one percent next year—one percent below this year's budget. For every lie made by a cabinet official to the committee, cut the budget by two percent. Make them pay for lying. If lying is necessary for institutional survival, let the bureaucrats learn to allocate their lies efficiently. Let them count the cost for deception.

MONEY MOTIVATES

Now, for an incentive system. For every outright lie brought to the attention of the Congressional committee by a member of any other government agency, that agency will receive all funds saved by reducing the lying agency's budget. To make it even more interesting, for every dollar wasted by one branch on any project, let its budget be cut by two next year, and give the savings to the informing agency. I don't believe in 100% financial accountability; let each agency have a 5% leeway. The costs of paperwork and policing that last 5% get astronomical. But once that 5% margin of budget safety is reached, then it's every bureaucrat for himself.

By placing a bounty on falsified data, the politicians have a new tool to be used against bureaucratic secrecy, perhaps the only realistic tool: bureaucratic snoopiness. These men are trained to ferret out information. Put these talents to work. Let them use up time, money, and energy in spying on each other. Let the Secretary of the Army watch the Navy like a hawk. Let the Air Force watch them both. Let bureaucratic snooping turn upon itself. Let **intrabureaucratic transfer payments** make it more profitable to spy on each other than to spy on the private citizen or firm. Let the bloodhounds sniff each other's messes.

There is no political salvation. There is no formal tinkering with externals that can reverse the drift into tyranny if the majority of people want it, or are willing to tolerate it for a price. But at least you can make it hot for the bureaucrats. Maybe you can't fight city hall. But you can pee on the steps and run. ◻

THE CARDINAL

Winter, and all my fields lie under snow.
Dull sparrows pluck what little life they know
from earth as drab as they.
A killer comes this way, just passing by—
there's little sport in shooting those
condemned by cold to die.
And then a sudden swoop of scarlet plummets from the sky
to strut as if he owns this world,
to catch the killer's eye,
to fall midsong, his feathers furled,
in mingled blood and ice.
You brave and foolish cardinal,
your pride comes at what price?
Could you not like the sparrows choose
the muted life, the quiet nest?
The killers have a rule they use,
And when they kill, they kill the best.

Robert P. Baker

SUB-VERSIVE

They said he was "Pink"
(he really was not)
But he died
And was buried
In a Communist plot.

Dennis J. Chase

The only optimum freedom strategy is the League.

Request information from
Contractual Mutual Defense League
9348 Santa Monica Blvd, Suite 101
Beverly Hills, Calif 90210

The New Education

at

Interscience Work Shop

Santa Monica, California **Santa Barbara, California**

Chuck Kelley, Director Erica Kelley, Executive Secretary
Staff of Skilled Instructors

Weekly Groups

feeling

The aim of this program is to free the capacity for feeling, utilizing neo-Reichan techniques of emotional release. Feeling is blocked by the chronic unconscious patterns of tension Reich called the muscular armor. This armor is softened by simultaneous work on the character and body, using techniques not only from Reich but also from bioenergetics, sensory awareness and other body-oriented approaches. Grief, fear, rage or pain that have been held in since childhood emerge as we work. As the student works through these, he discovers a new capacity for joy, trust and love. In time the sexual experience changes profoundly as tender and sexual feelings for the mate expand and merge.

Monthly Workshops

self-direction (purpose)

Self-direction work utilizes conceptual techniques to help the student integrate his feelings as the basis for rethinking his objectives and lifestyle. The innovative Interscience paired coconfidant technique combines neo-Reichian work to open the feelings with conceptual work on significant life problem areas. The result is progress in understanding the problem emotionally, and a doing away with "head tripping". The purpose group is tough and honest, focusing on self-knowledge and self acceptance, personal objectives, life style, and human relations. Sometimes used are techniques from Gestalt, Nathaniel Branden, Synanon and Transactional Analysis.

Individual Sessions

vision

Most people with defective vision and many with "perfect vision" have serious blocks to feeling and to understanding in the form of eye blocks, chronic patterns of muscular tension in or affecting the eyes. The Interscience vision improvement program combines deep emotional release techniques derived from Reich with techniques of the ophthalmologist William H. Bates in an original new synthesis. The feeling of an eye block contributes significantly to the process of emotional release, and can halt and often reverse the progressive effects of visual defects such as nearsightedness, farsightedness, astigmatism and squint. Bates techniques for vision improvement take advantage of the feeling of the eye block to improve visual function.

and write to us about

new careers

We are pioneering a significant, exciting and remunerative new area of work. We have far more requests for workshops than we can handle, from all parts of the U.S. and from Europe. We offer a systematic 2 year training program leading to our certificate in *feeling, purpose,* or *vision* specialties. All our training is personally supervised by Charles and Erica Kelley. The next training class begins in January 1974. A prerequisite is a group in *feeling and self direction* with C. R. Kelley this fall. Send for our Teacher Training brochure.

We are scheduling workshops away for 1974. Send for information on how to schedule one of our workshops for your group or center.

publications

Our publications include *The New Education* by C. R. Kelley, Part 1 of which appeared in *Reason* in July, under the title of the whole. Not published were parts 2 and 3. Part 2, *The Educational Establishment,* is a penetrating psychological analysis and indictment of traditional education. Part 3, *A Guide to New Education Programs,* presents a description of 16 new education programs, with the author's candid evaluation of the strengths and weaknesses of each. Included are biocentric psychology, Gestalt, primal, bioenergetics, Reichian and neo-Reichian, Rolphing, Reevaluation Counseling, etc. For *The New Education,* complete in 3 parts (61 pp.), send $1.50 per copy plus $ .50 handling and mailing. Publication list available on request.

etc.

FALL OFFERINGS. We offer 8 weekly groups and 25 one to five day workshops this fall, plus individual sessions by appointment. Most workshops are in Santa Barbara or Santa Monica, a few are in the East, Midwest, or England. Write for our latest schedule.

OPEN HOUSE. You are invited to attend our Open House in Santa Monica, the first Friday of each month, 7:30 - 10 p.m., to meet us and ask questions.

Interscience
Work ↔ Shop
"the new education"

P. O. Box 3218 Santa Monica, California 90403
Street Address: 1611 Montana, Santa Monica
Phone: 213/395 1555

An Obituary for Machines of Loving Grace

Adam V. Reed

Back in the 1960's (which, as you may remember, was before the hippies discovered ecology and technology became a dirty word to establishment intelligentsia) a group of society intellectuals made a somewhat original approach to The Problem Of Convincing Americans That The Welfare State Is Good For Them. Calling themselves **Committee for the Triple Revolution,** they argued that contemporary welfare recipients were simply the vanguard of a mode of existence about to become universal. Soon, they said, machines would be able to do everything that people were still paid for doing. Since everybody was going to join the crowd on welfare in a few years it would be better if everyone forgot about the work ethic; that way, they told us, nobody was going to be ashamed of not working, and everyone would relax and enjoy the millennium to come. Soon, clergymen were preaching sermons about a world where people would not be distracted from the appreciation of God's bounty by having to solve the crass problems of worldly existence. The problems would be taken care of by machines of loving grace, machines which would take the world's burdens on their shoulders. Then, one day, the Triple Revolution vanished and was never heard from again.

I cannot tell you exactly how the bubble burst, but my guess is that one day a member of the Committee finally got around to asking an engineer to endorse its scheme; the engineer told him that the scheme won't work, and told him why. This article is about that hypothetical engineer's reasons: a family of theorems in which the thesis, that one can build a machine to solve any problem that people can solve, is shown to be false. In proving these theorems, nothing is assumed about machines except that they are determinate. A determinate entity is an entity whose state and input at any given moment uniquely determine its state in the next. Such an entity can be simulated with any desired degree of accuracy by an appropriate computer program.

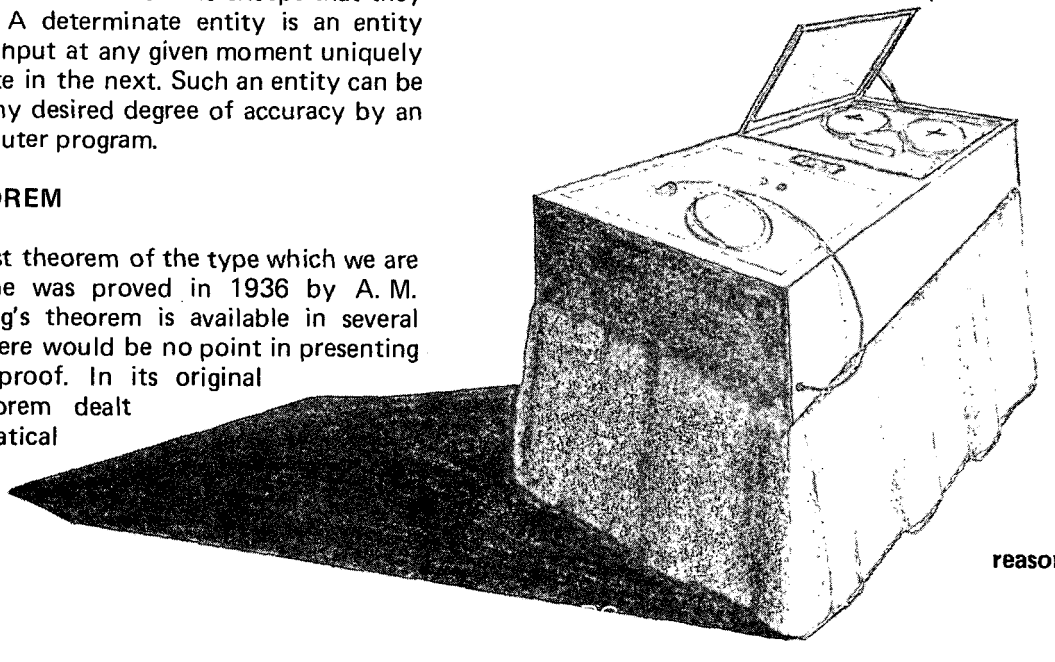
TURING'S THEOREM

The first theorem of the type which we are about to examine was proved in 1936 by A. M. Turing[1]. Turing's theorem is available in several books[2], and there would be no point in presenting here the entire proof. In its original version, the theorem dealt with a mathematical model of a computer called a "Turing Machine". Its method, however, is quite general, and can be used to prove equivalent theorems for all deterministic computer languages, including languages yet to be written.

In simulating the behavior of an entity, a computer goes through a program consisting of a series of discrete statements, corresponding to the entity's states. If we want to use a program to determine a certain result we must include, in addition to statements that the program will have to go through to obtain an answer, two other groups of statements: those that can be reached only if the answer is "yes" (corresponding to the definite-yes states), and those that can be reached only if the answer is "no" (the definite-no statements). A machine is said to have solved a problem, or answered a question, if it reaches and permanently (or at least long enough to effect a response) remains in one of the two groups of definite-states.

If we can write a program simulating an entity which can solve some problem or answer some question, then we can have a program which can answer that question (or solve that problem). Computer programs may answer two types of questions: those having one specific referent, the identity of which is implicit in the program; and those referring to one of a class of objects, the description of a particular member of the class being provided to the computer as input. One class of objects which may be described in a form appropriate for input to a computer is the class of computer programs. It is therefore possible for computer programs to answer questions about computer programs.

Consider any particular program written to answer questions about programs. One of the most interesting questions we can ask about such a program is this: will it answer the question it is supposed to answer, when that question is asked about itself? Or, to phrase it in a more technical way: *will the given program reach one of its definite statements if it is given its own description as input?* We will now compare results when machine and human both attempt to answer this question about a



particular hypothetical program. We will assume, in order to show false by *reductio ad absurdum,* the hypothesis that one can write a program ("program A") which will be able to answer this question in every case in which a human can answer it.

Now we proceed to find a program such that a human can answer the given question about it, but program A cannot. Such a program can be obtained—and this is the core of the proof—by modifying the hypothetical program A. A, being deterministic, can enter one of the definite-yes statements in only two ways: from an immediately preceding statement, or from a transfer statement elsewhere in the program. One can therefore obtain a "program B", which can never enter a definite-yes statement, by modifying program A as follows: 1) An instruction to transfer back to the very beginning of the program is inserted in front of every definite-yes section of the program, and 2) Such an instruction is substituted for every transfer to a definite-yes statement. The above modifications will prevent B from ever reaching a definite-yes statement. Since A and B are both deterministic, B will still reach a definite-no statement whenever A does. This is the only kind of definite statement which B can reach.

Will A reach a definite statement about B? If A were to reach a definite-yes statement, then B would never reach a definite statement at all, an answer of "yes" would be false, and A would *not* be able to reach a definite-yes statement: a contradiction. Now suppose A were to reach a definite-no statement about B. Then B would reach this very same definite-no statement, so that the answer "no" would be false, and A would not be able to reach a definite-no statement: contradiction again. Thus, A cannot reach either kind of definite statement about B. This means that A cannot tell whether or not B will ever reach a definite statement about itself. But *we* can. If A will never reach a definite statement about B, neither will B. The assumption—that one could write a program, called A, which would answer the question "will the following program reach one of its definite statements if it is given its own description as input?" whenever we could answer it—is thus shown by contradiction to have been false. We humans, then, can indeed solve problems no deterministic entity could ever solve.

INTELLECTUAL AMMUNITION, REVISITED

By this time, the reader has probably asked himself, "so what?". The Committee for the Triple Revolution has been defunct for years. Faced with the fanatical anti-industrial bent of today's collectivists, one almost wishes it were still around. The only technology today's collectivists approve of is the behavioral technology of B. F. Skinner's *WALDEN TWO* and *BEYOND FREEDOM AND DIGNITY.* What good is it, now, to know one can do some things no machine can?

As it happens, a lot of good. Remember, the only thing we assumed about the hypothetical machine A was that it was determinate. It could solve any problem any determinate thing could solve. By solving a problem that A could not solve, we can prove, with mathematical rigor, that we, humans, are not deterministic. That ought to be worth something. Collectivism is based on a denial of individual choice. Such a denial can be justified only by claiming that there is no such thing as individual free choice in the first place. For this reason every collectivist ideology, from Marx to Skinner, has been based on a firm belief in determinism. A good argument against determinism would clearly be useful in countering these ideologies.

The construction of such an argument has been attempted before. Nathaniel Branden, writing in the "Intellectual Ammunition Department" of the *OBJECTIVIST NEWSLETTER*[3], demonstrated that knowledge would not be possible to a determinate entity. Accordingly, anyone claiming knowledge of determinism was caught in the fallacy of self-exclusion. Branden's approach, while elegant, left something to be desired. One critic noted that "Branden's argument . . . has disposed of determinists, but not of determinism. Branden has ended the debate by showing that, even if determinism were true, it could never be *known* to be true. He has *not* shown determinism to be false."[4]

Turing's theorem suffers from no such shortcoming. It attacks determinism on the latter's home turf, and destroys it. Turing's theorem can knock out a key tenet from under collectivist ideologies. Once understood, it should become one of the most powerful weapons in the intellectual arsenal of every libertarian. ◼

Adam Reed is a Ph.D. candidate in mathematical psychology at the University of Oregon. He holds B.S. and M.S. degrees in electrical engineering and biology from MIT. His article "Resolving Disputes in a Free Society" appeared in the March 1973 issue of REASON.

NOTES AND REFERENCES:

[1] A. M. Turing, "On computable numbers, with an application to the Entscheidungs problem," *PROCEEDINGS OF THE LONDON MATHEMATICS SOCIETY, (SER.2)* 42:230-65 (1936), 43:544 (1937).

[2] The following three books cover the range: Davis for mathematicians, Minsky for people with any kind of technical background, and Arbib for those with nothing except intelligent minds. Martin Davis, *COMPUTABILITY & UNSOLVABILITY* (New York: McGraw-Hill 1958), 210 pp.; Marvin L. Minsky, *COMPUTATION: FINITE AND INFINITE MACHINES* (Englewood Cliffs: Prentice-Hall 1967), 317 pp.; Michael A. Arbib, *BRAINS, MACHINES, AND MATHEMATICS* (New York: McGraw-Hill 1964), 152 pp.

[3] Nathaniel Branden, "Determinism (Intellectual Ammunition Department)" *OBJECTIVIST NEWSLETTER,* 3:3 (January 1964).

[4] R. E. Merrill, personal communication.

Why Were Bankers Warned That This "New Book Could Upset the Savings Applecart"*

How to Make Up to 13½% or More on Your Savings—All Fully Insured

Best Seller! Over 50,000 Sold Direct By Mail. Not available through Bookstores!

There are many things banks don't like to talk about. They don't like to talk about the fact that they do, indeed, pay interest rates of 8%, 10%, 13½%, and often more, to a select group of knowledgeable depositors!

What's the difference between these men and women and you? Simply this—*that they know certain "inside" techniques of depositing and withdrawing their savings (all perfectly legal, incidentally) that you don't! And—therefore they earn two to three times as much interest on those savings as you do!* Like this...

Would It Be Worth An Extra Ten Minutes A Month To You—To Bring Home Two Or Three Times As Many Dollars From Your Savings As You're Getting Today?

The procedure is simple. But to put it to work for you, tomorrow, you have to know these few "smart-money" facts:

1. Most thrifty people in this country today are actually *losing money* on their savings. The interest they get from a regular bank account is actually *far less* than the lost purchasing power that inflation cuts right out of their savings.

This is one of the great social tragedies of our time. It means that if you are thrifty and prudent in this country today, you are penalized. Either you are driven to speculate in the stock market, where you can be wiped out overnight. Or you try to secure safety for your hard-earned capital in a bank—*and watch inflation turn your dreams of early retirement and financial independence into dust!*

2. *But you just don't have to accept these two tragic choices any longer!* Now there is a Third Way to invest your money, that gives you the absolute safety you want, plus huge guaranteed returns that you may not even have dreamed possible before.

Read What The Banking Industry Itself Says About This Startling Volume!

NEW BOOK COULD UPSET THE SAVINGS APPLECART

TIGHT MONEY, Regulation Q, and the much-touted Age of the Consumer, are key ingredients in a flammable mixture about to be ignited by a book which could explode in the face of the commercial banking industry this year. This says:

"The millions of people who have saved a few dollars in the form of savings accounts and insurance have been prevented from gaining any profit from their investment—indeed they have been forced to accept real losses—by what amounts to government agency fiat. These depositors have contributed more, perhaps, to the growth of our economy than any other group, and it is unjust that controls apply only to interest rates to depositors, while there are no controls over the inflationary wage and price increases. Conditions permitting this 20 years of discrimination should be changed."

I am quoting from a book, titled, "Don't Bank On It! How To Make Up to 13½ percent and More on Your Savings—All Fully Insured."

The book is dedicated "to the members of the median income group, those truly forgotten men whose savings deposits make banking, as we know it, possible."

"Don't Bank On It" may be coming out at an auspicious time, as the general public is becoming more aware of high interest rates, and, thanks to truth in lending, is being conditioned to look at rates of 12 or 18 percent as low. No doubt he'll soon recognize that 4 or 5 percent is peanuts.

**Bank Marketing Management, Feb., 1970.*

About the Authors

Martin J. Meyer is president of the National Depositors Cooperative Association. He also serves as Vice President and Secretary of Intercept Tele-Communications, Inc., a new international cable and telegraphic interception and forwarding organization. Mr. Meyer has written numerous magazine articles on banking, thrift, and inflation.

Dr. Joseph McDaniel, Jr. was secretary of the Ford Foundation from 1953 until his retirement in 1967 and Dean of the School of Commerce at Northwestern University. His distinguished career includes President of World Health Foundation (U.S.A.) and government service with the Economic Cooperative Assn.

3. It is based on one simple fact: That most depositors are *completely passive* about where and how they save their money! They never take the one or two hours that are necessary to learn the "inside workings" of the banking system. Therefore, they never even hear about the "super-savings-accounts" that can yield them *far more* than ordinary interest on their money.

And, above all, they have never heard about the simple, ingenious techniques of "Loophole Depositing"! Active, precisely-timed deposits and withdrawals that take an average of ten minutes of your time per month—*and bring you back 8%... 13½%...even 19% on every dollar, with exactly the same total safety that you get on ordinary bank accounts today!*

You Do Only What The Banks And Savings And Loan Associations Themselves OPENLY PERMIT. Except Now—YOU DO IT A LITTLE SMARTER!

At this moment, in this entire country, out of the over one hundred million people who have savings accounts, *only about forty thousand of them use these techniques.* They are still brand-new—virtually-unknown. *Only now has a book been published that reveals them to every man and woman who is willing to risk an 8¢ stamp to learn them!*

The time required to read this book from cover to cover is approximately one weekend. Or, if you wish to skip the banking background at its beginning, it will take you about an hour or two to learn these "Active Depositing" techniques themselves. *And once you learn them, from that moment on, you will be able to exploit every legal loophole in the entire banking system, including:*

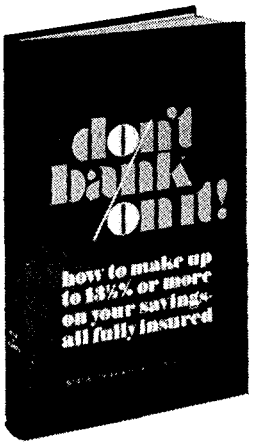
How to get more than 8% interest per year as *an absolute minimum*, with hardly any more work than filling out your deposit slip in a different way. And then go from there all the way up to as much as 19% to 25% in special situations, for limited periods!

How to protect yourself against the possibility of interest rates dropping in the future. So you're *guaranteed* the high interest rates available to you today, even if tomorrow your friends find *their* return on their savings cut in half!

How to make banks pay interest to you *on money you don't really even have on deposit—on non-existent money—on money you have already spent!* (And the bank loves you for it. Because, no matter how much you make, they make more! Page 143 shows you how.)

Yes, how you can even earn high interest on *your credit card!* So that you are now earning interest on other people's money—*and spending it at exactly the same time!*

Nationally Advertised in WALL STREET JOURNAL, N.Y. TIMES, FORBES, BARRONS, U.S. NEWS, SCIENTIFIC AMERICAN, NATIONAL OBSERVER, HUMAN EVENTS, PARADE, NEWSWEEK, ETC. An exclusive and priceless gift for anyone you value. Not distributed through bookstores. Clip handy coupon and order today. 30-day money-back guarantee.



Special Warning Section: Two common mistakes, that unknowingly trap thousands of depositors every year, *that could completely destroy your savings!*

And how to defer income tax on the interest you get. Two plans that offer marvelous tax-sheltered advantages.

And—let us repeat once again—*all completely protected by United States Government Insuring Agencies!* With *no* service charges—*no* minimum balances—no legal technicalities! Ready to go to work *right now* for the investor with $500—or $500,000!

Prove Every Penny Of It Yourself—Entirely At Our Risk!

The top money men in this country—the very banks themselves—use these techniques! Why shouldn't you? *All you risk to learn them all is an 8¢ stamp with the Coupon below! Why not send it in—and start your savings earning double and triple interest—8% to 13½% or more—TODAY!*

JAY NORRIS CORP.

BUY WITH CONFIDENCE—30-DAY MONEY-BACK GUARANTEE

Jay Norris Corp.,
350 South Kellogg, Suite S, Goleta, CA 93017

Please rush me: _____ (quantity) copy(ies) of DON'T BANK ON IT. I understand the book is mine for $8.98 complete. In addition, I understand that I may examine this book for a full 30 days entirely at your risk. If at the end of that time, I am not satisfied, I will simply return the book to you for every cent of my money back.

☐ SAVE! Order TWO for $16.00 complete. Makes an ideal gift!

Enclosed is ☐ check or ☐ money order for total of $_____
New York residents add sales tax.

Name (print)_____

Address_____

City_____

State_____ Zip_____

1545 : · | 2 | 5 | 0 | 40

© Jay Norris Corp., 1972.

Davis E Keeler

HOW I MADE $5 MILLION SPECULATING IN RADISH FUTURES

Guest Columnist LLOYD L. CLUCAS

Many years ago, before greed overcame my natural good taste, I would have been ashamed to be seen in possession of a book with a title like *HOW I TURNED $2.50 INTO $5 MILLION SPECULATING ON RADISH FUTURES.*

I would purchase such books by mail, anonymously, and only on the publisher's assurance that they would be delivered in a plain brown wrapper. And then, after I had read them, I would always hate myself and suspect that the author was not in fact supporting himself by arbitraging radishes, but rather by selling worthless books to gullibles like myself.

A wise old capitalist once told me that the secret of successful investing was not to lose your money. A corollary of this sound rule would undoubtedly be not to waste your money on get-rich-quick books.

A book of just such suspect title is *THE DOW THEORY CAN MAKE YOU RICH,* By Robert Barnes (Arlington House, $9.95, copyright 1973). Seldom has a copyright been more secure.

I do not know how many ways there are to obtain sub-par results in the stock market, but Mr. Barnes certainly adds a few more to the list. Even an uncritical acceptance of the author's own figures reveals that his trading strategies will in fact *not* make you rich.

Barnes' research is grounded in technical rather than fundamental analysis. Virtually the entire text is confined to describing how he constructed his quantified trading strategies, how they are implemented, and what their results were over given test periods. His "History" of the Dow Theory is confined to one page. His coverage of the criticisms of the Dow Theory is primarily taken from another writer's footnoted work, but fails to mention two of the most important criticisms: (1) that the Theory's signals are very often too late, and (2) that the Theory provides virtually no help for the intermediate-trend trader (i.e., trades geared to less than one year's duration).

Nor is any mention made of the long-term upward bias built into the Dow Jones Industrial Averages by reason of the way stock splits affect the divisor.

One criticism noted is that the Dow Jones Industrial Averages (DJIA) may not be representative enough of general market trends to serve as a useful guide. The assertion that it *is* representative enough is viewed by Barnes as "not too convincing." The author thus ignores research indicating that the correlation coefficients between the DJIA and the other popular market indexes all exceed .90 over an extended period of time. While it is true that relative levels in the popular averages may deviate substantially from unweighted geometric averages, there is still a high degree of correlation between significant trend reversals in all the indexes and the unweighted averages.

BUYING THE AVERAGES

Another criticism of the Dow Theory is that "you can't buy the Averages." The author states that all but the small investors can indeed "buy the DJIA." He is correct up to a point, neglecting the fact that by purchasing an efficiently diversified no-load mutual fund, the small investor too can come very close to "buying the Averages." So too, research by Fisher and Lorie suggests that 90% of all feasible reduction in the variability of the rate of return for the New York Stock Exchange as a whole can be achieved with the purchase of 16 randomly selected NYSE stocks.

In Chapter 1, Barnes indicates that the Dow Theory is based on the assumption that there *are* trends in the market. Mr. Barnes makes no reference to the "random walk" and "efficient market" research which has recently mounted a strong challenge to the notion that there is any statistically significant dependent relationship between successive price changes. In other words, does what has happened in the past have any value in forecasting future price movements? Or is Dow Theory like numerology, based on explanations *ex post?* (See, e.g., "What the Hell is a Random Walk?" in Adam Smith's *THE MONEY GAME.*) Barnes does at least hint that there seem to be a variety of conclusions which Dow theorists can draw from the same data.

Having more or less spoken to the theory, the author then constructs, in painstaking detail, what he calls **"six popular strategies."** These are, briefly: (1) A quantification of the Dow Theory—loosely based on Robert Rhea's work—calling a reversal into a bear market when lower tops and bottoms at relevant measuring points appear in both the Industrial and Transportation Averages. (2) A trendline strategy in which violation by both Averages of the trendlines connecting their respective secondary lows in a bull market results in calling a new bear market. (3) A 12-month moving average for each Average which, when both have been penetrated, signals a new primary trend. (4) A "contrary opinion" strategy based on extraordinarily sharp price moves in one direction dictating a position contrary to that trend. (5) A secondary reaction strategy, based on the assumption that a primary trend is finished when a secondary reaction against that primary trend is of a magnitude in excess of 90% of all preceding secondary reactions. (6) A simple buy-and-hold strategy.

Unfortunately, for all the artfulness which went into constructing these strategies, the test results which Barnes reports suggest that better results would have been obtained by ignoring the charts and simply buying and holding the Dow stocks. As Barnes frankly reports, his Dow Theory-based strategies were generally quite bad. Some long runs of losses could have been a real longer-term disaster, depending on what starting date was used.

SUGGESTIONS THAT WORK

Does the author have any suggestions that *do* work? The reader struggles on, for to quit here would be to admit he has wasted $9.95.

Barnes begins his final exposition with the plausible assumption that stocks with high relative volatility may give a trader a better chance to capture profits than does a general market average such as the DJIA. He simplifies his general market strategies for use on single stocks. Then he goes to a popular chart service book, extracts the first twenty stocks listed there, and discovers which five had the largest up and down moves relative to the rest of them from 1944 through 1959. (In a crude fashion he

Davis Keeler's Money column is guest authored this month by Lloyd L. Clucas. Keeler's column alternates monthly in REASON with John J. Pierce's Science Fiction column.

sought the stocks with the highest beta coefficients.) He found some evidence that these volatility rankings tend to persist through time.

Armed with this incredibly small "universe" of 20 stocks and a sampling of five stocks therefrom, the author seeks to obtain generalizable conclusions about the performance of his simplified strategies on individual stocks. The methodological defects are already obvious and fatal to his stated purpose.

The author tells us that the very best results came from his "Secondary Reaction" strategy. In short, a change in trend direction of X% from one measuring point to another implies a reversal of the previous primary trend. It appears that dividends, commissions, and the crucial effects of compounding successive trade results are all cheerfully ignored. Barnes reports cumulative profits of 507% for the test period—a "portfolio" average for the five stocks of 101%, assuming that equal dollar amounts were used in each of the five stocks. This 101% result over 11.75 years compares to Barnes' statement that the DJIA rose 43% over this same time period.

When I say that Barnes fails to take account of the effect of compounding his trades I mean that he simply adds the percent gain or loss on each transaction without reference to whether the portfolio had more or less money left from prior trades. For example, if one trade showed a 40% loss and the next one a 50% gain, Barnes would add the two figures and report a 10% net gain. If you try that with real money you will find that if you've just taken a 40% loss then you've only got 60% of your original capital on which to take the subsequent 50% gain. When you calculate the results in portfolio dollars you come out, not with a 10% gain, but a 10% *loss*. This is one of the "adjustments" which I make in my analysis below of Barnes' results.

First, to compare results with a buy-and-hold strategy for the DJIA, it is necessary to compound the successive individual trades made in each of the five stocks. Second, we must include a roundtrip commission charge in each trade result. (I used the 2% assumption Barnes had mentioned elsewhere in the book.) Third, any paper profit or loss existent as of the end of the test period cannot be included beyond that percentage which his trading rules have "locked in," since in each case these trades were *still open* on that date.

Making all these adjustments, the following table shows the comparative results for the five stocks and the DJIA. Dividends are excluded in all cases, and would favor the DJIA, if included.

	Adjusted	Barnes	Buy and Hold the 5 stocks (1)	DJIA (2)
American Bosch Arma	– 24%	+ 53%	+ 36%	–
American Airlines	– 91%	– 56%	+235%	–
ALCOA	– 43%	– 10%	– 36%	–
Allegheny Ludlum Steel	+ 64%	+ 74%	– 47%	–
Admiral	+276%	+446%	+174%	–
Total:	+182%	+507%	+362%	–
"Portfolio" Average:	+ 36.4%	+101%	+ 72.4%	+28.4%

(1) One roundtrip commission of 2% has been deducted from each stock's result.
(2) One roundtrip 2% commission has been deducted from the result.

Three conclusions seem warranted: (1) Given the limited and somewhat biased sampling technique that produced the five stocks, their adjusted results are probably not, statistically, significantly better than buying and holding the DJIA stocks—and even less so if dividends were included; (2) over the test period, buying and holding the five stocks would have produced superior results to the trading strategy proposed by Barnes; and (3) by failing to account for the adjustments noted above, the author has significantly overstated his results in comparison to buying and holding either the DJIA or those five stocks.

A couple of questions: Does a 36% gain over 12 years justify taking the risk associated with component rates of return that varied from -91% to +276%? (2) What does a 5% annual return compound to over 12 years? (Hint: a lot more than 36%.)

Of course, much of the preceding analysis was only made possible by Mr. Barnes' commendable full disclosure of his data and assumptions. It suggests somewhat more honesty than is usually found in books about how to make your first million. Nevertheless, the failure to compound trading results and the omission of brokerage commissions from his "grand totals" table is not consonant with holding degrees in mathematics, as the dust jacket informs us Mr. Barnes does. Nor do the results warrant a book. An article in *BARRON'S* might have been more appropriate—but then copies of *BARRON'S* don't go for $9.95 a crack.

The reader interested in a slightly broader review of the Dow Theory (34 pages), plus a comprehensive discussion of price-volume bar charts and their use, would be better advised to obtain a copy of *TECHNICAL ANALYSIS OF STOCK TRENDS* by Robert D. Edwards and John Magee (John Magee, Springfield, Massachusetts; 5th ed. 1966; 474 pp.). The chart analysis described therein is about the best study produced on the subject. Price-volume bar charts are a useful tool in the technical analyst's kit. Of course, they comprise only a fraction of the input required for sophisticated work.

The reader who is merely interested in mechanical rules of thumb (similar to most of what Barnes presents in his book) may enjoy trying out a simple 12.5% filter on moves in the DJIA. Every time the DJIA closes up or down 12.5% from its last low or high closing price, respectively, a trend reversal is signalled in the direction of the 12.5% move. This "strategy" can be confined to purchases or can include short sales when long positions are closed out. It has been written about before by others. It will *not* make piles of money for you. But it's fun to see how it works over the long history of the Dow Averages. It would be time better spent than buying, reading, and analyzing *THE DOW THEORY CAN MAKE YOU RICH.*

If you really want to get rich, quickly or otherwise, a time-tested strategy is to examine how other wealthy men have amassed their fortune. Someone once asked John D. Rockefeller, Sr., how he got his. Said John D., "God gave me my money." ◻

foreign correspondent

TAASTRUP, DENMARK

Denmark has for a long time been the country where nobody questions the necessity of paying taxes ("how else should the roads, the hospitals, the schools and the kindergartens be paid for??") and where it is, in fact, generally considered a moral obligation to pay taxes ("how else would it be possible for the old to live, for children to go to school and the sick to get medical care??"). It is therefore rather surprising that a new political party—the **Progress Party**—that came into existence less than a year ago and that has as its primary aim to abolish (or at least drastically reduce) the income tax has gained an immense popularity. According to opinion polls more than 17% of the Danish voters would vote for this party if we had an election today, which would make it the second largest political party in Denmark (the largest being the Social Democrats, with about 25% of the votes, which at present forms a minority government supported in parliament by the left-wing Socialist Popular Party and having a precarious majority of one vote in parliament).

But maybe this development is not as astonishing as it might seem at first glance. Just consider that income taxes have reached the point where the ordinary worker pays about 50% of his final earnings in income tax plus a 15% sales tax on everything he buys, and add hereto an inflation that keeps getting worse (it is by now 12-14% per year) and that makes it virtually impossible to save money in a normal way, combined with politicians who promise all the time to change this situation, only to make it worse—and one has a very simple explanation of the popularity of the Progress Party.

But there are other things that are unusual about the appearance of the Progress Party in the Danish political arena: it was established by **Mogens Glistrup**, a lawyer who became a much talked about person a few years ago when he appeared on TV and caused an uproar by bluntly telling the Danish public that he did not pay any income taxes and that he regarded it as immoral that one should have to. He has a large law firm in Copenhagen specializing in tax legislation and has found some loopholes which enable him and his clients to enjoy freedom from income tax to a greater or lesser extent. The specialists in the tax department were immediately put to investigate his case closely and to find out whether there was anything illegal in his transactions—but to this day they have not been able to, although rumours appear regularly in the press that very soon an action will be brought against him.

This story is probably also part of the explanation of the success of the Progress Party. Someone who is able to find his way through the jungle of tax legislation and to outwit the administration with such conspicuous success must be the man who is able to reduce the tax burden for everybody. In fact, I suspect that Mr. Glistrup is regarded by many people as some sort of modern Robin Hood—although most of his clients have been rather well-to-do people who can afford to invest some money in order to reduce taxes.

It remains to be seen whether Mr. Glistrup can fulfill at least some of those expectations. At present he is viewed as the embodiment of the Progress Party, being almost the only person who publicly explains the policy of the party, since although local groups have been formed all over the country, no formal political organization has been established.

A small pamphlet has been published which states that the **goals of the Progress Party** are the following:

1. Abolition (or reduction, it is not quite clear which) of the income tax.
2. Reduction of the paperwork in the administration, thereby reducing the administrative staff.
3. Simplification and reduction of the amount of laws and other legal instruments.

The only obligation on political candidates for the Progress Party is to adhere to these three principles, and apart from that they are free to hold any point of view as long as they respect the parliamentary forms of government.

Further, the pamphlet enumerates 38 items to which most of the supporters seem to subscribe and to which more items are to be added as they are agreed upon. These items are of a very varied nature and content, some dealing with fundamental political-philosophical principles and others with practical issues—for instance, number 4 states that religion and morality should exclusively be matters for the individual to decide upon, while number 5 says that the bridge connecting Zealand with Funen should be built as soon as possible—and do not at all present any consistent political programme.

The Progress Party therefore completely lacks a basis of political-philosophical principles as well as an integrated programme for carrying out its purposes. From the utterances of Mr. Glistrup it is generally believed that the party is non-socialistic, that it will work toward lesser state influence in economic affairs and that it will reduce the various welfare schemes. But while some of the 38 items in the pamphlet confirm this, others don't and some directly contradict Mr. Glistrup's previous statements on specific issues. So there is no good reason to believe that we shall witness a major revolution in Danish politics after the next election (mid-1975).

Nevertheless a good deal of stirring up of muddy waters has already been accomplished. In view of the present situation in this country where an orgy of lawmaking is taking place with a consequent explosive growth of the administrative sector and a constant rise in public expenditures, it is evident that something along the lines of the purposes of the Progress Party is needed.

Even the political establishment seems to understand this and has shown conspicuous signs of nervousness about the popularity of the Progress Party. Some politicians have started to talk about how to meet the challenge while others have denounced Mr. Glistrup in very emotional and degrading terms, particularly stressing that he cannot possibly fulfill his promises (as if that were something extraordinary in modern politics). Further, Mr. Glistrup has expressed some opinions that might resemble a sympathetic attitude towards

SANTA MONICA MORNING

Rain.
After santanas. Michael smoothing me awake.
Calloused hands. Gentle.
Sweaters. Boots. Wet air hewn.
Umbrellas burst as petals.
Vacant streets. The busy pavement. Puddle
annoyed by feet. A rooftop comments.
Gutters rush
like wind through narrow tunnels. A cigarette.
Thrown to motion. White. T'ward the grid.
Cold cheeks and forehead. Lips deluge.
Pockets fill. The leather leaks. Shiv'ring.
Like a timid cat. He laughs me home.
Wraps me in a towel. Twice as big as I am.
Lights a candle.
Tea. And apples. Glowing. As my skin.

Wendy McElroy

Career opportunity in business

A direct response advertising agency offers a career opportunity for a meticulous, hard-working man or woman. Prior business or sales experience is helpful but not necessary. You would start as a trainee earning a lean but livable salary. Starting work would be one or more of the following: media buying, bookkeeping, graphics design, production, answering the phone, typing, filing, light correspondence, errands or research.

Our advertising aims directly at a prospect's self interest, then demonstrates the product's benefits logically, factually and forcefully. We measure the sales results of each advertisement. This means we can and do scientifically test different variables of advertising, to improve its profitability.

We are growing rapidly. When new positions open up, we try to promote our own people. For instance: one former trainee is now Media Vice President; one of our former bookkeepers is now a full-time copywriter; another former bookkeeper /copywriter is now our President. So you can advance as far as your accomplishments take you—in management, media or copywriting.

If you believe you can succeed in this career, tell us how we will profit mutually by working together. Write in detail to Byron Callas, Callas, Powell, Rosenthal, Inc., 14 Sweetfield Circle, Yonkers, New York 10704. Your reply will be held in strict confidence. Please mention where you read this advertisement.

capitalism (such as: the condition of the poor is primarily dependent upon the amount of production and not government handouts), and the press has initiated a virtual smear campaign accusing him of being antisocial and fascist and comparing him (because of his one-man show) to Hitler. (Although one cannot be sure of how Mr. Glistrup's opinions should be classified in political terms, it is at least certain that he does not have a militaristic attitude. He has even proposed that the whole of the Danish army should be abolished "as it cannot defend the country anyway" and replaced by an **automatic device** which would in the case of invasion give the statement "we surrender" in Russian).

Public opinion does not seem to pay much attention to the bad publicity, as the opinion polls are not affected by it. It looks as if the politicians in power will have to do something more constructive than talk and slander if they want the present political constellation to remain relatively unchanged after the next election.

Anne Brincker

movies

REVIEWED BY CHARLES BARR

• Stanley Kramer's **OKLAHOMA CRUDE** is a study in dissipated energy and wasted dramatic potential. Set in the Oklahoma oil fields about 1910, the story details a young woman's attempt to defend her lone (and so far unproductive) oil well against a predatory major oil company. Ideologically the movie is as crude as its title, and not surprisingly it walked off with first prize at the recent Moscow Film Festival. Nevertheless, all the ingredients for a first-rate drama are present; but they go largely untapped, and in the process some fine acting is wasted. Faye Dunaway plays a hardened, embittered young woman, hanging on to her oil well for God only knows what reason. Coming to her aid despite her open hostility are her father, John Mills, attempting to expiate past sins; and a hired hand, George C. Scott, whose character alternates between inexplicable courage and inexplicable cowardice. Arrayed against this motly group is Jack Palance, leader of a pack of oil company thugs and goons seemingly intent on taking over this nonproducing well at any cost. (The absurdity of this effort, in economic terms alone, is so obvious that it scarcely needs comment.) The film's dramatic values are further undercut by periodic episodes of "comic relief" and some wild improbabilities and coincidences in the plot. The ending, even on the film's own terms, is a disappointment. The acting is light-years better than the rest of the movie. George C. Scott, especially, shows once more that he can play just about any role. Faye Dunaway delivers a controlled performance in a part which at times comes dangerously close to parody. John Mills becomes as good a Westerner as he is an Englishman. Jack Palance is convincingly repulsive as the villain. To waste this fine talent in such a ridiculous movie is a crime. Rated "PG".

• **THE MACKINTOSH MAN** is a good, old-fashioned spy thriller—"old-fashioned" in this case meaning derivative of the mid-1960's. The twists and turns of the plot cover quite a bit of familiar ground, but

COMING NEXT MONTH:

REASON's November issue will be a Special Issue devoted to Ayn Rand and her works. Articles scheduled for the extra-length 52-page issue (newsstand price, $1.50) include:

- An evaluation of the literary qualities of Rand's work by Northwestern University professor John Cody.
- An original analysis by Doug den Uyl contrasting the objectives of Rand's magnum opus *ATLAS SHRUGGED* with Plato's *REPUBLIC.*
- A discussion of Rand's theory of government by Roger Bissell.
- A comparison by Kathleen Collins of the attention bestowed on Rand and the noted British author Iris Murdoch.
- Plus other articles discussing Ms. Rand and her work.

In addition to the special coverage of Ms. Rand, the November issue is scheduled to include:

- *REASON* Science Fiction columnist John J. Pierce's (editor and publisher of *RENAISSANCE)* discussion of the epic future history works of Olaf Stapledon.
- And more! Coming in December is science fiction author F. Paul Wilson's interesting profile of the late John W. Campbell, Jr., a unique individualist who, as editor of *ASTOUNDING STORIES* and *ANALOG* for 33 years, helped reshape the face of science fiction.

If you are not yet a subscriber, or would like to *extend* your subscription, act now! To be assured of receiving the next twelve issues of *REASON,* send in your check for $9 *today* to:

reason
Box 6151
Santa Barbara,
California 93111

Short Quiz

1. How many optimal freedom strategies are there?
2. Why is the League the one?

Answers are available upon request from

Contractual Mutual Defense League
9348 Santa Monica Blvd, Suite 101
Beverly Hills, Calif 90210

Paul Newman and Dominique Sanda rendezvous in THE MACKINTOSH MAN.

what the movie lacks in originality it makes up for in atmosphere. The cool, steady hand of director John Huston and superior performances by Paul Newman, Dominique Sanda and James Mason generate quite a bit of suspense and interest. In addition, the movie introduces several moral dilemmas, not all of which are resolved. Newman plays an undercover agent who helps engineer his own arrest and imprisonment in England, to flush out a criminal gang that specializes in arranging jailbreaks. Dominique Sanda, who plays his "secretary," delivers an admirably understated performance, in many ways reminiscent of Ingrid Bergman. James Mason portrays a type which is becoming increasingly familiar: a champion of "law and order" who, beneath the surface, is driven by a philosophy of power for its own sake. In supporting roles, Harry Andrews is urbane as Newman's boss, the mastermind with one trick too many up his sleeve; and Ian Bannen believable and even sympathetic as a pragmatic, amoral foreign agent who breaks out of prison with Newman. The austere location photography and simple, repetitive background music aid in achieving the film's mysterious and often chilling effects. Rated "PG".

- A few months ago, Twentieth Century-Fox released a movie entitled *EMPEROR OF THE NORTH POLE.* In the film's initial advertising campaign, a single theme was stressed: violence. Following complaints by various distributors and newspapers, and some confusion over the title, the name of the movie was shortened to **EMPEROR OF THE NORTH,** and the cue word in the advertisements was changed from "violence" to "excitement." However, nothing else about the movie has been modified; and even though well-plotted, and evocative of the depression-ridden 1930's, the whole enterprise is built essentially around a few bloody fight scenes. Between the action sequences, the picture visibly appears to lose momentum. Lee Marvin stars as a professional hobo, out to attempt what no one else has done: hitch a ride on a train run by Ernest Borgnine, a sadistic conductor who doesn't hesitate to kill any tramps he finds riding the rails. Keith Carradine plays a brash, opportunistic apprentice hobo who becomes a thorn in the side of both protagonists. Within the film's own context, most of the violence is justified; but in essence, *EMPEROR OF THE NORTH* is nothing more than a story about men playing some hideous, pointless children's game elevated to the level of a life-and-death struggle. Rated "PG". ◻

book review

MAN INTO SUPERMAN. By R. C. W. Ettinger. New York: St. Martin's Press. 1972. $8.95.

Reviewed by WINSTON L. DUKE

Ettinger's first widely read work, *THE PROSPECT OF IMMORTALITY,* was published in 1964; it was a harbinger of a prolific decade of non-fiction writing about the potential human beings have to live for as long as they please. The many books that followed *IMMORTALITY* were based on the same idea: that *senile debility* is itself a disease; that as a disease it is curable; and that once cured, man may choose to extend his life indefinitely.

In considering this provocative thesis, I have discovered a widely held and obviously deep-seated antagonism to the proposition of human immortality. At one end of this spectrum of skepticism is the conservative who fears all progress; he is petrified at the possibility that he will have to live another lifetime with himself in what he sees as a malevolent universe; he is intimidated by the prospect of such a personal and individualistic challenge. At the more intellectual end of the spectrum are those who see any concentration on death *per se* as abnormal (viewing discussions of immortality in this category); these persons seem to define death as inevitable and insist that people concentrate upon living while they can, and not waste time contemplating changes in the immutable laws of nature. Thus, Rene Dubos, in *THE ENVIRONMENTAL HANDBOOK,* states that "the biological and mental nature of man is essentially unchangeable".

These two positions may be classified as "anxious" and "apathetic". The "anxious" I leave the reader to ponder. To the "apathetic" I give the benefit of the doubt and warn: don't confuse science with philosophy. Dr. Leonard Peikoff has said that philosophy is the love of life, that philosophical systems are correctly concerned with living, not dying, and that no significant philosophical system has ever dealt with death as an overriding factor. As a conceptual exercise of the greatest magnitude, philosophy is independent of time as a measure of duration (not, however, of time as an existant). Ethics, for example, should be applicable for a person with a lifetime of one year, 100 years, or googol years. Philosophy does not properly concern itself with science in the latter's more limited role as lexicographer. Philosophy will not predict the four-minute mile or the laser. There is nothing in a philosophy of reason which says man cannot live for 100,000 years; only that man cannot live *forever;* since there are no infinites in a finite universe.

ADAPTATIONS DISCUSSED

MAN INTO SUPERMAN, as a sequel to *IMMORTALITY,* concentrates less on genetic engineering and cryonics, and proceeds to a discussion of the psychological and philosophical adaptations which must accompany the transition to strange bodily arrangements and ultra-long lifetimes. *SUPERMAN* delves deeply into the reasons people hesitate to "play god" with their bodies. Without naming it as such, Ettinger attacks vigorously the *anti-capitalistic mentality* in our present culture. Further, he emphasizes the need and importance of clear language and semantics, as does Thomas Szasz's *THE SECOND SIN.*

Ettinger also picks up some of the more esoteric improvements possible for the *homo sapiens* chassis. There is more emphasis in *SUPERMAN* on prosthesis and cyborg-type modifications vs. the more revolutionary developments inherent in cloning and other *in vitro* experimentation. Witness that the Indians of Tiera del Fuego sleep nude in a climate worse than Chicago's; that bears hibernate; that camels can go weeks without water and make up for it in a half hour of drinking; that dogs have been adapted to breathe oxygen directly from water (like fish); that bats have their own radar; that cat brains have been frozen and revived; that lions rut all day and roar their pleasure and approval; that birds do fly. Man, claims the author, can have as many of these attributes as he dare dream of. They will be his due as *superman.*

REASON readers will note with interest Ettinger's references to "the illusions of altruists," to Heinlein as "the best of living science fiction writers," to "the totalitarian state; Nazi Germany and Marxist Russia and China," to the merits of being "selfish", the "morality of self-interest," and "self-esteem."

Unfortunately Ettinger stumbles on the *soul-body dichotomy.* Like so many science fiction and non-fiction writers of the twentieth century, he accepts the notion that *mind* is, or can be, independent of *matter* (this is called *dualism*). His approach to metaphysics leads to the belief that the brain's personality, an individual's identity, can be stored electronically or transferred out of its corporeal frame: the "ghost in the machine" syndrome. Thus, Ettinger says, "We may imagine our transfigured selves as beings of 'pure mind,' gliding swift and ethereal through the reaches of the cosmos."

In a chapter on expanding man's awareness, *SUPERMAN* will ruffle some feathers with its praise of A. E. van Vogt, who "wrote *THE WORLD OF NULL-A* under the influence of Korzybski's *GENERAL SEMATICS SEMINAR;* null-A stands for non-Aristotelian, the idea being that human minds are inferior because they are enslaved to Aristotelian or single-valued logic, whereas the real world is many valued and there are many alternatives besides 'A' or 'not A' in a given proposition."

"ORIGINAL SIN"

Ettinger also flirts with the dogma of "original sin," or as he would state it, "Man's instincts, emotions and motivation are not only accidental but mutually inconsistent . . . racial psychosis, a kind of built-in schizophrenia." He testifies that these problems are reasons enough for man to tamper with his given physiology, to engineer himself into sanity.

Ettinger errs too in his choice of "pragmatism" over "principle" as a rule for human action. He seems to tie "principle" inextricably to loyalty to the cause or to the group. He says, "The idealist (the man of principle) is about to become extinct, I believe, because the lies he lives by are no longer useful." Ettinger's idealist is akin to Hoffer's *THE TRUE BELIEVER.* But his premises in this argument are unclear.

(continued on p. 41)

frontlines

As its name implies, this column is concerned with activities out on the frontlines of the battle for freedom, and with the people who are the strategists, tacticians and troops. Although the major emphasis will be on projects which spread libertarian ideals to a wider audience than they now enjoy, *FRONTLINES* will also cover activities that occur solely within the libertarian community and whose major function is to increase the morale, knowledge and social contacts of the people involved. (After all, even *ATLAS SHRUGGED's* hero, John Galt, had a little help from his friends.)

There are those who might argue that a military analogy is a bit strong to apply to a social movement that eschews the initiation of force, and that a marketplace analogy is more apt. In fact, the marketplace/educational model is the one that has traditionally governed Objectivist and other libertarian projects and this is well and good—a social movement without theoreticians is no better than a mob. On the other hand, without people who are willing to get their hands dirty in the real world selling ideas, making them work, fighting pernicious ideologies—in short, creating a new world—the theoreticians remain a bunch of people who sell books and magazines to each other. Pure intellectuals have their place elsewhere in *REASON;* social strategists and activists have *FRONTLINES.*

BAY AREA LIBERTARIAN LEAGUE

Probably the single most active local group on the West Coast,, the Bay Area Libertarian League (B.A.L.L.), has an ambitious set of purposes:

1. Sponsor programs which present the viewpoint of individualism to the public at large. This educational and proselytizing function is accomplished through lectures, campus literature tables, radio & TV messages, newspaper articles, demonstrations and counterdemonstrations.
2. Internal education: enhance and amplify understanding, and expose libertarians to alternative viewpoints on philosophy, ethics, economics, and social systems.
3. Social function: provide opportunities for contact between libertarians for mutual enjoyment and profit.
4. Communication network: through the newsletter and through members' use of the mailing list for private mailings, provide libertarians means to interact by announcing their activities, projects, and commercial ventures. If the "parallel economy" is a viable concept, it can be brought about only if communication is available.

Aside from its members providing each other with a wide variety of activities in the San Francisco Bay area, B.A.L.L. operates a book service under the management of **Sue Mullen,** provides an eight-page newsletter, *THE AUTONOMIST,* (2000-name mailing list) under the editorship of **Chris Hocker,** and operates a lending library (**Cynthia Perry** is the librarian).

Upcoming B.A.L.L. events include:

Sept. 11, 18, 25—Continuing lecture series: Basic Principles of Objectivism. Held at 1334 Bonita Ave., Berkeley, 8 p.m. 50¢ admission.

Sept. 12—Lecture by **Dr. Robert Cunningham,** (Professor of Philosophy at University of San Francisco), on population, pollution, and the environment. Held at 2330 Mastlands Dr., Oakland, 8 p.m. $1.50 admission.

Sept. 13—Libertarian Discussion Group. Held at 1239 Clayton St., San Francisco, 8 p.m.

Regular membership in B.A.L.L. is $5.00 per year and sustaining membership (which entitles one to use the B.A.L.L. mailing list for private mailings and to place up to one full page ad per year in *THE AUTONOMIST*) costs $10.00. Further information on B.A.L.L. can be obtained from **David Theroux,** c/o B.A.L.L., P.O. Box 7031, Berkeley, CA 94707.

AT OUTING OF IDEAS

On August 4th New Hampshire libertarians, conservatives, and leftists held a different kind of gathering to talk over strategies, ideologies and ideas. The brainchild of **Barbara Anderson,** N.H. Libertarian Party Public Relations Chairman, *AT OUTING OF IDEAS* was held as an outdoors event at Cascade Park near Concord, N.H. Activists set up tables with materials for sale, swapped ideas and plans, and enjoyed the park recreation facilities. Representatives from both the New Hampshire and Massachusetts Libertarian Party attended, as did several state (Democratic) political figures and representatives from the John Birch Society, Young Republicans, Young Americans for Freedom, and other groups. The gathering received coverage in the *MANCHESTER UNION LEADER,* a state-wide newspaper.

The success of this venture has inspired the formation of a committee called the **Coalition for Freedom,** whose purpose is to continue working on producing and promoting such gatherings. The Coalition's first meeting will be held September 16th at 2 p.m. at the Sherwood Inn, Rt. 4, Epsom, N.H.; persons interested in obtaining more information should contact Barbara Anderson at that address.

ELECTION LAW PETITION

In one of the more unusual alliances in recent memory the Libertarian Party of California has joined with the Socialist Workers Party, La Raza Unida Party, Prohibition Party, and the Socialist Labor Party (with affidavit support provided by the Peace and Freedom Party and the American Independent Party) to file suit in the U.S. District Court of Northern California alleging that the California election code violates the First, Fourteenth and Fifteenth Amendments to the U.S. Constitution by making it virtually impossible for minor parties to get on the ballot (to qualify a party must collect the names of 663,340 registered voters on petition, *or* have 66,334 registered party members). If the suit is upheld, the Libertarian Party will find it much easier to qualify for ballot space and the publicity inherent in that. As it is now the L.P. is confined to carrying out write-in campaigns—and write-ins often aren't counted in California! It's hard to present your ideas in the political arena if you can't get in the door. . . .

Please send material for inclusion in FRONTLINES *to Lynn Kinsky at* REASON, *P.O. Box 6151, Santa Barbara, CA 93111. Meeting and activity announcements will be carried as space permits; however we must receive announcements two months before the actual event if we are to publish it as a "coming attraction" rather than as history. Tell us about your group, your activities, your strategies for social change in as much detail as possible. Items accompanied by photos are especially welcome.*

Lynn Kinsky

JOHN GOODSON
for
GOVERNOR!

For years, we have been taught that the supreme virtue is not to produce, but to distribute; that we should not create for ourselves, but sacrifice for others. We are exhorted daily to hate the rich and to love the poor; to view success as a sickness and to reward failure. And the government, as Superthug, has become the henchman of every group that can claim a weakness, a failure, or a desire to consume that which it did not produce.

But desires are NOT rights! Theft is still theft even if done by legislation! Every second of YOUR life and every penny YOU earn belong to **YOU** and to no one else! Not to the parasites, or minorities, or majorities but to **YOU.** Government should have one and only one function: to protect your rights against the forceful interference of others. You are NOT a natural resource!

America was not founded on self-sacrifice, but on a man's right to pursue happiness —his own, not happiness enforced for others. The growing unrest within our society is caused by the abandonment of that ideal, and there will be continued conflict as long as we view one another as potential victims. The spectre of the undeserving squandering the unearned haunts us all. The practice of groups obtaining that which they can not produce by the simple expedient of having the government take it away from the producers must be ended!

JOHN A. GOODSON is 38 years old, and has been a resident of New Brunswick for over 25 years. He graduated from New York University in 1958, and did post-graduate work in psychology at the University of Iowa. Goodson taught high school English for 5 years while working part-time for Borg Warner on teaching machines. He has edited a book entitled **Great Essays** which was published by Dell in 1969, and is currently a guidance counselor at a Middlesex County high school.

Because the record of politicians in keeping their campaign "promises" is a sorry one, and because he believes that politicians should be just as responsible as any other person who sells a service, John Goodson will sign a contract before the election which will legally bind him to the positions he takes during the campaign. If, after his inauguration, Goodson violates the contract, he may be removed from office by legal action initiated by any New Jersey voter!

Help elect a candidate who will not reverse his positions after the votes are counted. Send your contribution to

TANSTAAFL

NEW JERSEY LIBERTARIAN PARTY

P. O. BOX 333, ASBURY PARK, N. J. 07712

trends

This column reports trends in the advancement of individual liberty and rediscovery of economic freedom. Readers are invited to submit items of potential interest.

FREE ENTERPRISE MAIL—ONWARD AND UPWARD

As the federal government's near-monopoly mail service continues to deteriorate, privately-owned competitors continue to expand and prosper. Each new instance of Postal Service incompetence, and every proposed rate increase, brings forth increased demand for free-market alternatives. Postmaster General Elmer T. Klassen recently announced plans to raise first-class rates from 8¢ to 10¢ in January; this, together with projected steep increases in second-class (magazine) rates, is bringing increasing cries of anguish from citizens, businessmen, and Congressmen. In Congress, Representatives Phil Crane and Steve Symms have introduced legislation to remove the federal monopoly on first-class mail delivery, while Senator Alan Cranston is reported as "considering proposals that would either return the postal operation to the government *or* turn it over to private industry." Rep. Symms recently inserted in the *CONGRESSIONAL RECORD* a hard-hitting article by Allan Browndeld contrasting private mail delivery with the Postal Service's inefficiency.

The Postal Service concedes that its service is poor, and appears to be worried by the rising competition. In a *U.S. NEWS AND WORLD REPORT* interview, Postmaster General Klassen admitted that private mail companies "are giving us real concern with the amount of business they are getting," especially since business mail accounts for some 80% of the post office's volume (and this is the market in which the private firms are allowed to compete). Profit-making United Parcel Service is now handling more packages than the government's parcel post service, whereas only five years ago parcel post carried twice as many packages as UPS. Moreover, admitted Klassen, "We damage five packages for every one that United Parcel does." Another leading indicator is the fact that in 1972 the per capita mail volume handled by the Postal Service declined—for the first time since the Depression—from 421 pieces per year in 1971 to 418 in 1972, due to the switch to private firms. Among those departing from the Postal Service is Virginia Electric and Power Co., which hand-carried some 2 million bills to customers last year, at less than 8¢ each.

Although the Postal Service is sufficiently paranoid about its first-class mail monopoly that it issued special warnings to children against delivering Valentines and Christmas cards, it has recently made a major concession to business mailers. The Postal Service Board of Governors decided in July to suspend the Private Express Statute, the law that blocks the private delivery of letter mail, for certain classes of corporate mail that are "so urgent as to require delivery within 12 hours or by the start of the next business day." The suspension of the monopoly will apply only to mail sent between various offices of a single company and to data-processing communications, such as credit and payroll information. The changes will permit companies which have been using their own employees for such deliveries (which has always been legal) to contract with private mail delivery companies instead.

The change in the law should serve to increase the current boom in private mail delivery. In the past 18 months, the number of companies in the field has doubled, to well over 200. Among the more noteworthy:

- Kansas City-based Independent Postal System of America, serving 32 states with 18,000 employees, and $6 million in revenues last year (see *REASON*, "Trends," December 1972). IPSA is faster and cheaper than the Postal Service, and provides guaranteed delivery dates.
- Northern California's National Postal Service, which last year delivered 84 million ads and other third class mail for major retail stores, at $33 per thousand pieces,, $17 less than the Postal Service rates.
- Consumer Communications Service, serving eight cities in Ohio, Indiana, and Kansas, which charges $36 per thousand for advertising delivery. CCS, with 1972 revenues of over $5 million, recently became part of H & R Block.
- Fast Mailers, an Albany, NY firm which offers next-day guaranteed letter delivery to New York City, and charges 25¢ per letter to truck the mail 150 miles to the New York City Post Office, cutting two days off the usual delivery time.

As consumer pressure increases due to the Postal Service's continued inability to perform, the day may not be far off when the Crane/Symms antimonopoly bill will become a major political issue. When that day arrives, the marketplace, by all indications, will be ready.

SOURCES:

- "Klassen Will Seek Postal Rate Boost," AP (Washington), 18 June 1973.
- "U.S. Mail Hits a New Slow, Critics Say," Marlene Cimons, *LOS ANGELES TIMES*, 21 January 1973.
- "U.S. Postal Monopoly: It Just Cannot Deliver," *CONGRESSIONAL RECORD*, Vol. 119, No. 107, 11 July 1973.
- "The Growing Competition: 200 Firms Are Thriving," Robert Mullin, 13 May 1973.
- "Stamp Out Valentines?" *CHICAGO TODAY*, 14 February 1973.
- "Postal Service Will Let Corporations Hire Private Firms to Haul Some Internal Mail," *WALL STREET JOURNAL*, 2 July 1973.
- "Private Mail Companies Have Doubled in Past 18 Months," AP (New York), 18 April 1973.
- "The Private Postman," *TIME*, 2 April 1973.

THE WAR ON DRUGS BACKFIRES

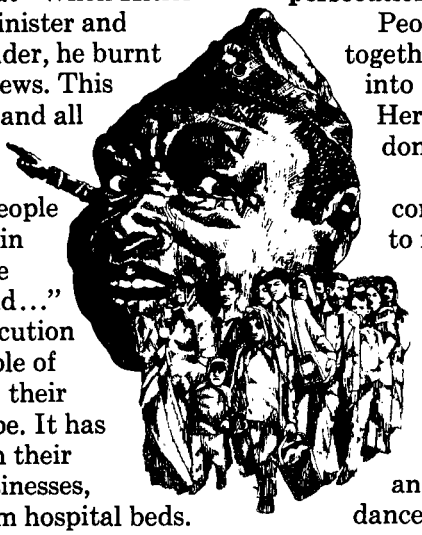
As economists are quick to point out, price controls and other artificial restrictions on the supply of goods tend to produce shortages. While America is beginning to feel the impact of price controls in the form of food and gasoline shortages, the nation is poised on the brink of yet another shortage, potentially more serious. Sometime this fall the supply of morphine and codeine—vital painkillers for millions of people—may disappear altogether.

The reason for this impending shortage is the U.S. government's war on opium poppies. Under severe political pressure (and a $35 million bribe from the U.S. government), the Turkish government is wiping out all opium poppy farming. The intent, of course, is to reduce the

When Adolph Hitler had what he considered a "Jewish problem", his solution was extermination. And the world looked the other way.

Now, one of Hitler's biggest admirers has just faced an "Asian problem". He solved it by throwing out 55,000 Asians from their homes in Uganda.

Uganda's dictator President, Idi Amin, has convinced himself and told the world that "When Hitler was the Prime Minister and supreme commander, he burnt over six million Jews. This is because Hitler and all German people knew that the Israelis are not people who are working in the interest of the people of the world..." Amin-style persecution has stripped people of their possessions, their dignity, their hope. It has ripped them from their homes, their businesses, even the sick from hospital beds. More than a million Asians in other parts of Africa fear the same thing might happen to them at any time.



It takes social pressure to make persecution unacceptable. So let's hope this time the world doesn't look away.

The Asian Africans have two kinds of needs: Desperate ones. And the need for a future homeland.

When you're thrown out of your own country, you need hope, not just charity. The countries that took in the Ugandan refugees temporarily on an emergency basis can't promise them a future. Only a new homeland can do that.

Finally, an organization has been formed with one unique purpose: To find homes for persecuted people forced to leave their own country.

Today, the persecution is in Uganda. Tomorrow, who knows?

The Asian African Relief Foundation has been working to find new locations where the expelled Ugandan Asians can go because they want to, not because they have no choice. With the help of influential people who share our concern, we're looking for a place where all persecuted people — of every race and every religion — can live free again. We need your contributions to carry on the search.

You can help meet the urgent needs of the Asian Africans.

Right now, the evicted Ugandans need food, clothing, shelter and medical care. Your contributions, and your own fund raising task force can meet their needs.

It takes more than money to confront persecution. It takes your ingenuity.

People with ideas can join together to turn a few dollars into hundreds of thousands. Here are some ways it's been done successfully:

You can organize concerts, from classical to rock.

Have an art sale. Gather amateur arists or art classes together to design and sell greeting cards, posters and bumper stickers.

Schools, churches and groups can hold dance marathons, bake sales, rummage sales, car washes, art exhibits, bazaars, plays, walking tours, bike trips, auctions, recycling drives.

Use this ad any way you can. Get your local press, radio and television stations to publicize the plight of African Asians. The more involved people become, the more they'll see that there are alternatives to oppression.

Anything you can do to prevent the world from looking the other way could help make persecution a thing of the past.

HELP MAKE PERSECUTION SOCIALLY UNACCEPTABLE.

ASIAN AFRICAN RELIEF FOUNDATION
P.O. Box 6262
Santa Barbara, California 93111

Enclosed is my contribution to help the Asian African refugees and all persecuted people in furtherance of their requirements for relocation and emergency care. (Refugees' immediate needs will be served through OXFAM-AMERICA, INC., an affiliate of OXFAM, the thirty-year-old international relief and development organization.)

☐ $10,000 ☐ $1,000 ☐ $500 ☐ $50 ☐ $15

☐ I would like to volunteer as a fund raiser. My special skills include (speech-making, organizing, sales, secretarial, etc.):

_____

☐ Please use my additional contribution of $_____ to run more ads like this to fight persecution.

☐ Please send me _____ reprints of this ad, at 50¢ each, to use however I can.

Name_____

Address_____

City, State, Zip_____

Make checks payable to Asian African Relief Foundation.
Tax exemption has been applied for.

Advertisement prepared by John Zeigler, Inc.

supply of heroin entering the U.S. But, according to Drs. Linwood Tice and John H. Moyer, writing in *INTERNAL MEDICINE NEWS,* the poppy curb "will probably make no significant difference in the activities of the underworld and their illegal importation and sale of heroin." This is because most of the world's heroin originates in the Golden Triangle region of Burma, Thailand, and Laos, as well as from Mexico. In contrast, "legal" opium for producing morphine and codeine comes only from India and Turkey. By wiping out Turkey's production, the government is seriously reducing the legal supply, while hardly denting the illegal market.

There are three principal codeine producers in the U.S. The S. B. Penick Co. ran out of opium on 9 May. Mallinckrodt Chemical Works estimates that they could be out of opium by sometime this fall. Merck and Co. has enough to maintain present production through about next March, but is the smallest producer and is unable to pick up much of the slack of the other producers.

If the suppliers do run out of opium this fall, sufferers from influenza, inflammations, bursitis, osteoarthritis, post-surgical and postchildbirth pain, kidney stones, burns, and tooth extractions can blame the federal government's fanatical war against drugs. Perhaps these victims will join the small but growing number of libertarians advocating an end to heroin prohibition.

SOURCE:
- "War on Poppies Boomerangs—Millions Face Harvest of Pain," AP (New York), 12 June 1973.

SAYING NO TO COLLEGE TAXES

For decades one of America's most unquestioned sacred cows has been tax-supported higher education. Although research has shown that it is largely the upper-middle-class and wealthy who benefit from these subsidies (see *REASON,* "Trends," April-May 1971), they have nevertheless been stoutly defended in the name of "equal opportunity" for the poor. At long last, however, this unthinking acceptance is being questioned.

A recent public opinion survey by Opinion Research Corp. found that "over the past decade there has been a major reversal in public support of higher state taxes to permit more young people to go to college." In 1963 some 61% of those surveyed favored increased taxes for this purpose; by 1972 only 35% were in favor, while 53% were opposed. The opposition to higher taxes was greatest in the west and among households with no children, but in *every* category more people were opposed than in favor of such tax increases.

The survey findings lend new support to those advocating "full-cost pricing" for public education, i.e., ending the subsidy by charging a free-market price for a college education. Among the most recent advocates of such a policy was a special study for the California legislature, conducted by the Academy for Educational Development in Palo Alto. The study team recommended that student fees in the state higher education system be raised to full-cost levels: from the current $638 per year to $2041 at the University of California; from the $117-168 range to $2047 in the California State University; and from the current zero-fee level to $1040 in the community colleges. The increased fees would bring in over a billion dollars annually, some of which could be used to establish an expanded loan fund for students from lower-income families.

Such a pricing scheme would have several beneficial effects. It would tend to reduce the number of non-serious students who go to college merely because it is available; it would improve the schools' resource allocation abilities by placing them into the marketplace; and it would end the forcible subsidy of some at the expense of others. By ending the subsidy aspect of public education, full-cost pricing would also destroy the rationale for the *government's* operation of colleges, thereby paving the way for a return of higher education to the private (i.e. nonpolitical) sector where it belongs.

SOURCES:
- "Education: Is It Worth the Cost?" *ORC PUBLIC OPINION INDEX,* Vol. 30, No. 17, Mid-September 1972.
- "Report Suggests Massive Hikes in Student Fees," UPI (Sacramento), 21 January 1973.

NADERITES SEE THE LIGHT

One of the more frustrating aspects of the otherwise valuable Nader Task Force reports on such regulatory agencies as the ICC *(THE INTERSTATE COMMERCE OMISSION)* and the FDA *(THE CHEMICAL FEAST),* has been the dismally stale, establishmentarian remedies set forth. After exhaustively documenting the way that government regulatory agencies fail, time after time, to protect the "public" but are captured and used by special interests, the reports have recommended, in essence, the appointment of "better" bureaucrats to the agencies. Never was the basic premise of government regulation—that a bureaucracy can protect the public better than free competition—questioned.

Until now, that is. For now Nader's Center for the Study of Responsive Law has published its latest report—*THE MONOPOLY MAKERS,* "a scathing 345-page examination of the cozy relationship between federal regulatory agencies and the industries that they supposedly watchdog." Editor Mark J. Green and the study staff demonstrate, in case after case, how the agencies have protected established firms and prevented new entrants especially in transportation and communications), thereby helping to create monopolies whose net impact on consumers and taxpayers is a whopping $16-24 billion per year.

But the report doesn't stop there; this time the Nader task force's solution is right on target. Green and company call for an end to "corporate socialism" by means of deregulating the protected industries and restoring free competition. Hopefully, this latest Nader report will get at least as much publicity as its less courageous predecessors.

SOURCE:
- "Nader's Conglomerate," *TIME,* 11 June 1973.

DECLINE FOR MAJOR PARTIES

According to a recent poll taken by national pollster Albert Sindlinger, the number of Americans willing to identify themselves with either of the two major political parties has plummeted to a record low in the wake of the sordid Watergate disclosures.

According to Sindlinger, the number of persons identifying themselves as Republicans dropped to 18% the week ending 3 August, while Americans calling themselves Democrats dropped to 26%.

By comparison, Sindlinger noted that in the week ending 6 May, the portion of Americans identifying themselves as Republicans was 22%, while 38% professed allegiance to the Democratic Party. Stated Sindlinger, "Both parties are now at an all-time low." At this rate, it may soon become fashionable for Americans to identify with either the Libertarian Party or the League of Nonvoters! The impact of Watergate is obviously heightened by the televised Ervin committee hearings. So . . . play it again, Sam.

SOURCE:
- "Both Parties Lose Backers, Poll Reports," *LOS ANGELES TIMES* , 16 Aug. 1973, § 1, p. 21.

viewpoint

MURRAY N. ROTHBARD

WATERGATE, AND THE ARGUMENT FROM KNOWLEDGE

For decades, our Presidents (and their apologists) have told us that they *know*, and know far more about the important matters than us humble and hapless citizens. Richard Nixon has been one of the most vocal of these proclaimers. And since they know so much more than the rest of us, we must leave the important decisions up to them. The seeming disasters of foreign policy, of economic programs, of internal security, these were not really blunders because the President and his staff were privy to the vital information that the rest of us did not have. The immediate answer: "well then, *give us* the information", seemed far too *gauche* for the weighty and delicate matters at stake.

This **Argument from Superior Knowledge** rested, however, on a naive and fallacious model of bureaucracy. The *theory* is that the rank-and-file funnel key information up to their superiors in the hierarchy, with each in turn filtering out the wheat from the chaff and passing the knowledge further up, *until,* at the top of the pyramid sits the head—in this case the President—knowing all the vital stuff possible. We should have remembered the ancient adage that the lower bureaucrats tend to pass upward only that information which their bosses *want* to hear. Unwelcome information that might tell the boss that he is in error will often jeopardize a subordinate's job. Or even worse: as in the ancient custom of the King executing any messenger that brings him bad news. The result was that precious few people would bring him any such news. The bureaucratic theory for the U.S. *should have* been shaken by the Pentagon Papers, where we saw that unwelcome CIA estimates on how the Vietnam war was faring were deliberately kept from the President and his top aides.

REVERSE TWIST

Now Watergate provides us with a fascinating new look on knowledge *vis a vis* the President and the White House. Note, for example, the Mitchell-Moore-Kalmbach picture of life in the White House. *If* we can believe their story, we see this picture of these our august rulers: not a single one *asks* anyone (especially the President) anything, no one *tells* anyone (especially the President) anything, and, especially in the case of the nitwit Moore, no one seems to know *who* is working in the next office. Everyone sits in his cubicle passively, awaiting developments, hearing-seeing-and speaking no evil, and displaying no curiosity whatsoever on the burning political issues of the time. Apart from a loyalty to and worship of Mr. President hardly exceeded by the court of the Chinese Emperors, no one of these gentlemen knows, asks, tells, or seemingly *does* anything. Particularly intriguing was the political philosophy expressed by former Attorney-General John Mitchell: that it is vital, *for the sake* of enabling the President to make the proper decisions, *not* to tell him what is going on! Here is a reverse twist to the Argument from Knowledge for letting the President make our decisions. For in order for him to make the great decisions properly he must sometimes be kept ignorant, he must be freed from knowledge that might prove awkward! In the history of political philosophy, never has a more idiotic proposition been put forward, and with the high seriousness that only a Nixon aide can muster.

But though our rulers seem to know virtually nothing, they have all displayed a remarkable zeal and curiosity for knowing what *everyone,* almost literally, has been saying at any time. It started in 1970, with the plan of leading young conservative Tom Charles Huston to bug, spy, and burgle potentially dangerous radicals and dissenters. But the burning zeal for knowing everyone else's business hardly stopped with radicals. The **"enemies" list,** to be royally "screwed" by the White House, had scarcely a radical on it, featuring instead highly conservative Democrats, from the Meanyite labor leader Alexander Barkan to the dessicated old moderate Max Lerner. But pretty soon our rulers began to bug not only extremists and moderates, but their very own aides ("for their own protection", intoned Henry Kissinger) and finally each other. And, now, to top it off, we find Mr. Nixon automatically bugging everyone he has come into contact with, including himself: ostensibly for the sake of future historians! We can imagine some poor doctoral candidate a few decades from now, dutifully spending six years of his life doing nothing but listening to Nixon's interminable tapes. If Sartre had written *NO EXIT* now, he could have included that scene in his definition of Hell.

WHITE HOUSE SPONTANEITY

All this conjures up what must have been—

and still is—the delightfully spontaneous spirit within the White House, as its various denizens meet to reason together, to learn about problems, discuss policies, etc. Everyone, including the President is secretly taping everyone else; nobody asks or tells anyone anything—and our future historian can delightedly listen to an endless litany of evasive and meaningless jargon about "time frames", "inoperative memos" and "unviable options." And when the pressure gets too great, they can always confide in good old Grandpa "Dick" Moore, who at 59 looks 89 (and who is *still*, ye gods! one of our rulers) secure in the knowledge that Dick can scarcely remember where his office is in the morning. (So long, of course, as kindly old Dick doesn't have a tape secreted on his person.) And secure in the knowledge, too, of the kind of advice that Dick is likely to give: "Heh, heh, young feller, go thou and sin no more." All this topped by our new image of Mr. President, his every grunt preserved for posterity and/or detailed reexamination. Only a Terry Southern-style movie can do justice to the *bizarrerie* of the whole scene; we are reminded of the seemingly wild fantasy of *THE PRESIDENT'S ANALYST,* where the President turns out to be a literal robot with wires leading out of his head. Who's getting *those* tapes?

Query to our "limited government" friends: after Watergate, do you *still* revere our rulers? Can you *still* hold that they have superior knowledge or wisdom to make any decisions whatever? Wouldn't we all be better off if the White House became an empty monument to a grisly past, and our Nixonian rulers were turned loose to seek honest employment—provided they can stay out of jail? ◻

Dr. Rothbard's viewpoint appears in this column every third month, alternating with the viewpoints of Tibor Machan and David Brudnoy.

editorial

THE NEW CENSORSHIP

A hundred years from now the people of the 21st century will look back with bewilderment at the Supreme Court's 1973 decision on obscenity. How a nation of "civilized," "sophisticated," "freedom-loving" people could sit back calmly and accept—and in some cases welcome—this exercise in verbal gymnastics will appear beyond belief.

There are several levels on which the Court's decision can be criticized. The obvious moral objection is that the State has no business telling people what they may or may not read or see. The ostensible legal implementation of this principle is the First Amendment's guarantee of free speech and press. The First Amendment is quite explicit on this point; it says that Congress *shall make no law* abridging the freedom of speech or of the press. Justice Douglas has affirmed repeatedly that when the Constitution says "no law," it means no law, not "no laws except those prohibiting pornographic printing."

But it is not just this moral/legal aspect of the subject that our descendants will marvel at. What will most amuse and dismay the civilized and humane citizens of 2073 will be the seriousness with which scholars, lawyers, and commentators treated the concept of "obscenity." One might think that our modern, secular society would no more widely accept such a patently religious concept than it would accept the idea of witches, or the devil. Yet even the sophisticates among us appear to nod knowingly when a work is called "obscene," as if, like Barry Goldwater and Earl Warren, they "can't define it but know it when they see it."

Yet is there really a general, objective concept of obscenity? *WEBSTER'S COLLEGIATE DICTIONARY* (admittedly no authority, but sufficiently representative of current usage) defines "obscene" to mean "abhorrent to morality or virtue, specifically: designed to incite to *lust* or *depravity*." (But *whose* morality are we legislating and with what claim to universality?) The same source defines "lust" as "intense sexual desire," or as lasciviousness, a further exploration of which leads to such terms as unchaste, licentious, salacious, and lecherous. The only *reality* underlying all of this verbiage is sexual desire or sexual activity, sometimes modified by such terms as "inordinate" (by whose measure?) or "in disregard of legal or moral restraints" (whose restraints?). Depravity, the other aspect of "obscene," is defined in terms of perversion—"aberrant" sexual practice. In other words, judging at least by the dictionary's reflection of current American usage, "obscenity" is material designed to incite sexual desire, which desire runs counter to a particular puritanical moral code.

This interpretation is fully supported by Chief Justice Warren Burger's pronouncements in *Miller v. California,* one of the 1973 obscenity cases. In limiting the scope of acceptable state censorship laws, Burger said they "must be carefully limited" to prohibiting only the depiction of sexual conduct that is "patently offensive." What, pray tell, is patently offensive to the good Justice Burger? According to the decision, the material which meets this test is any depiction of *"ultimate sexual acts, normal or perverted"*! Just why the depiction of lovemaking, in all its various forms, should offend Mr. Burger is difficult to fathom, unless he holds to a personal religious view that sex is evil and therefore to be hidden.

Yet the defenders of the Court's decision, such as conservative columnist James Jackson Kilpatrick, ignore this religious aspect altogether, acting for all the world as if Burger's view of what is "patently offensive" were patently obvious and universal. Kilpatrick thinks that "the movie *DEEP THROAT* is patently offensive in a way that *THE LAST PICTURE SHOW* is not." But on the face of it, why should scenes of fellatio, the main attraction of *DEEP THROAT,* be any more offensive than scenes of kissing in *AS THE WORLD TURNS?* Again, unless Kilpatrick's own religious morality considers fellatio shameful or evil.

Thus, with scarcely a second thought, Americans are accepting the imposition of religious censorship, all the while believing that something universal called "obscenity" really exists. (This is not to deny that there can be a valid use of such a concept as "obscene." Something that is "abhorrent to morality or virtue" could properly be called obscene *relative to* that particular moral code; the objection here is to the current attempt to parade one particular version of the concept as a universal, without even identifying the moral code it refers to.)

It would be bad enough if the Supreme Court's version of censorship were an isolated instance. But in the last few months the communications media have suffered two significant attacks on freedom of the press. This spring FCC Chairman Dean Burch threatened radio stations with loss of their licenses for broadcasting talk shows in which the participants candidly discussed sexual problems. Due to the FCC's life-and-death power over station ownership, many stations dropped these programs, including the original of the genre, the Los Angeles-based "Feminine Forum" on KGBS. The stations offered a few weak protests, mostly undercut by admissions of guilt over the programs' content.

The crackdown on "topless radio" was only the latest instance of FCC censorship of radio and television. More commonly, the FCC's censorship is implemented by means of the "Fairness Doctrine" under which stations are forced to provide opponents of broadcast material with equal time. Until this July, only radio and television were subjected to this kind of harassment, in direct violation of the First Amendment's guarantee of press freedom. Now the newspapers' turn appears to have come. In July the Florida Supreme Court ruled that *THE MIAMI HERALD* must provide equal space for a rebuttal to political candidates whom the paper had opposed editorially. Thankfully, the *HERALD* is appealing the case to the Supreme Court, but the fact that a state's highest court could rule so boldly against the First Amendment shows how far we've come.

Many years ago Ayn Rand was asked at what point she would advise people to cease cooperating with the system and go on strike, as did the heroes of *ATLAS SHRUGGED.* She replied to the effect that despite economic regulations, political outrages, and assorted forms of government coercion, *as long as freedom of speech and of the press remained inviolate,* one should continue to work within the system. By that criterion, it's beginning to look as if the day of decision is close at hand.

ROBERT POOLE, JR.

reason profile

CHARLES BARR

For a libertarian one of the pleasures of living in Southern California is being able to listen to television or radio editorials and occasionally agreeing with them! The organization responsible for introducing millions of people to the term "libertarian" and for presenting these people with a free-market viewpoint on such matters as private postal and fire departments, the draft, and welfare is Libertarian Alternative, one of those "responsible groups" stations invite replies from. An extremely successful and rapidly growing organization, Libertarian Alternative has expanded from its original purpose of only obtaining media time for airing libertarian views and now also serves as a libertarian social organization and forum. Libertarian Alternative is the brainchild of Charles Barr, who has been chairman of the Los Angeles group since its inception.

Born 30 years ago in New York, Mr. Barr received his B.A. degree in history from the University of Georgia. He worked as a newspaper reporter and photographer during college and after coming to California he worked as a computer operator for I.B.M. He is currently a computer programmer for Metromedia in Los Angeles.

Mr. Barr got turned on to libertarianism by reading *ATLAS SHRUGGED* in 1962 and he continues to be an advocate of Ayn Rand's philosophy, Objectivism. From 1969 to 1971 he published *FOCUS,* a newsletter listing libertarian activities in the Southern California area. He helped found Libertarian Alternative in 1971, is a Charter Member of the Libertarian Party of California, and an Associate Director of the National Committee to Legalize Gold (last Fall, at a press conference, he publicly displayed a 1967 $20 Canadian gold coin he owns in the hopes of being arrested and thus forcing a court case on the right of U.S. citizens to own gold. Treasury agents were present but failed to rise to the bait). Mr. Barr has contributed articles to *INVICTUS, THE INDIVIDUALIST,* and *REASON,* and is currently *REASON's* movie columnist.

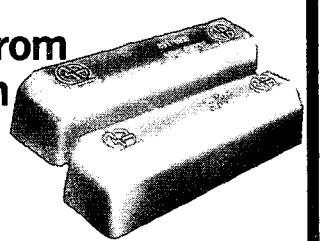
A bachelor, Mr. Barr's interests and hobbies include movies, the theater (he is a member of a local theater workshop), and chess. He hates exercise and enjoys writing, and is currently learning to write for television. ◼

(Book Review continued)

Despite its flaws, *SUPERMAN* is a noteworthy book. If a civilization is to be judged by its aspirations, I find none more praiseworthy than the quest for immortality. Let's fact it, growing old is not fun; being old is not beautiful. Professor Ettinger was one of the first to bring the layman's attention to the incredible possibilities at his doorstep; I join him in his call for more effort, more R&D toward *homo superior.* And despite its shortcomings, I found *MAN INTO SUPERMAN* stimulating and filled with a pro-life, pro-human spirit. The book is roughly analagous to a Koestlerian journal: filled with fascinating ideas, some nonsense, some brilliant. It is hard to forsake a man or a book dedicated to meliorism with a motto of *Never Say Die!* ◼

Winston L. Duke received his M.B.A. from Harvard University and has a B.S. in physics and an M.S. in nuclear engineering from Georgia Institute of Technology. He wrote the highly acclaimed lead article on genetic engineering, "The New Biology," in REASON's *August 1972 issue.*

save your dollars from further devaluation buy and save pure



Silver

you'll be glad tomorrow

THE DOLLAR DIVES AS SILVER SOARS

Will your dollar's value be gone when you need it most? Don't chance it! Convert to silver today!

IMC MINT CORP.

Successor to International Mint Corp. and International Silver Mint Corp.

315 East 2nd South
Salt Lake City, Utah 84111
CALL TOLL FREE
(800) 453-5320
OPEN SATURDAYS

Please send literature and price list on silver.

Name _____

Address _____

City _____ State _____

Zip _____ Phone _____

No obligation, naturally!

publisher's notes

• **STAFF CHANGES:** In accordance with *REASON's* customary rotation of editorial responsibilities among its major editors, Robert Poole assumes the position of Editor-in-Chief, commencing with this issue. In addition to his *REASON* duties, Poole is employed as a systems engineer with a small think tank in Santa Barbara, California. Manual S. Klausner, who has served as Editor since June 1972, now becomes Publisher and Editor. Klausner is an attorney with a major Los Angeles corporate law firm. Tibor Machan shifts from Associate Editor to the new post of Senior Editor. Dr. Machan, who teaches philosophy at State University of New York, Fredonia, also will be a contributor to *VIEWPOINT.* And Lynn Kinsky, formerly *REASON* Circulation Manager,, steps up to the position of Associate Editor. Ms. Kinsky is a sociologist, currently pursuing graduate work at University of California, Santa Barbara. Poole, Klausner, Machan and Kinsky are all partners in Reason Enterprises. No change of policy is signified by the new staff assignments.

• **NEW FEATURES:** Two new departments make their debut in this month's issue, *VIEWPOINT* and *FRONTLINES.* This issue's inaugural *VIEWPOINT* is contributed by the erudite scholar, Dr. Murray Rothbard, professor of economics at Brooklyn Polytechnic Institute and author of countless articles and books, including *MAN, ECONOMY AND STATE* and *FOR A NEW LIBERTY.* Alternating with Dr. Rothbard will be the viewpoint of Dr. Tibor Machan, Senior Editor of *REASON* and assistant professor of philosophy at State University of New York, Fredonia, and the viewpoint of David Brudnoy, a frequent contributor to *NATIONAL REVIEW, HUMAN EVENTS,* and the libertarian *ANAHEIM BULLETIN,* author of the *CONSERVATIVE ALTERNATIVE* (Holt, Rinehart & Winston, Inc. N.Y.), and regular commentor on WGBH-TV, Channel 2 in Boston, a leading public television outlet. Both Rothbard and Brudnoy have been added to *REASON's* masthead as new Contributing Editors.

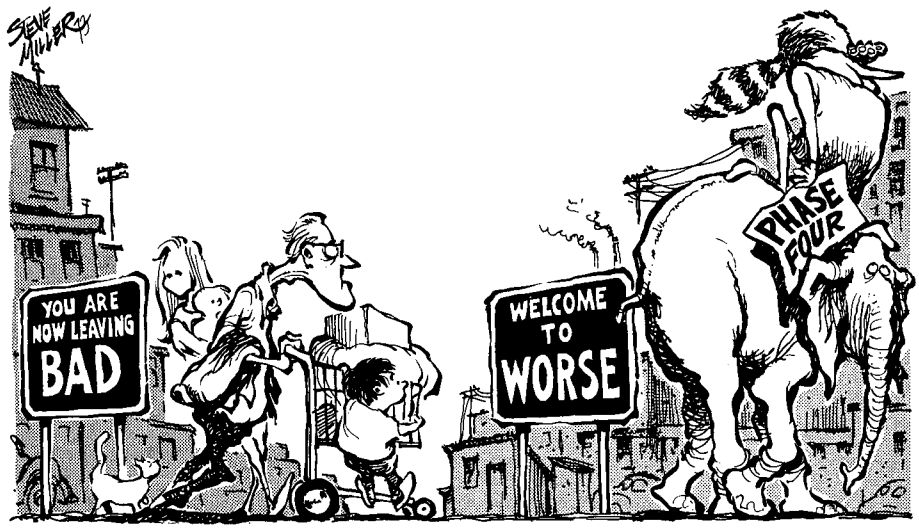
Our second new feature, *FRONTLINES,* will be devoted to coverage of libertarian activist news. Ed Crane's Libertarian Party Correspondent column will no longer be published; instead Crane will act as liaison for *REASON* in gathering news of Libertarian party activities for inclusion in *FRONTLINES,* which will be coordinated by Lynn Kinsky. News of Libertarian Party activities (including photos) should be sent to Crane at *FRONTLINES,* c/o LPC, P.O. Box 71383, Los Angeles, CA 90071. Other newsworthy items should be sent to Ms. Kinsky at *FRONTLINES, REASON,* P.O. Box 6151, Santa Barbara, CA 93111. It is contemplated that *FRONTLINES* will regularly carry photos of current activities and people in the news, and we urge our readers to send in timely photos for inclusion in *FRONTLINES.*

• **FREE SUBSCRIPTION EXTENSION:** To help *REASON* grow, we are currently offering a **free three-month subscription extension** for each new gift subscription received from our subscribers. New subscribers can receive 15 issues of *REASON* for $9 (regular rate, $9 for 12 issues) if they donate a gift subscription at the same time their subscription is entered. *REASON* is a unique magazine for thinking people. If you feel that a friend, teacher, or business associate might find *REASON* of interest, we urge you to send in gift subscriptions now! Give *two* gifts and get a *six-month* extension; *three* gifts for a *nine-month* extension, etc.

• **SPECIAL BONUS FOR SUBSCRIBERS:** This month's extra-length special issue is the largest single issue *REASON* has ever published. The newsstand price for Special Issues—which are published two or more times annually—is $1.50. Subscribers receive *REASON's* Special Issues at no extra charge.

• **SUBSCRIBER QUESTIONNAIRE:** We are grateful for the excellent response to the questionnaire contained in the August issue. Over 10 percent of our readers returned the questionnaire, including many useful comments concerning *REASON's* articles and features. We are especially delighted by the large number of enthusiastic comments. Results are being tabulated and will appear in a forthcoming issue.

• **IRS HARASSMENT:** Persons criticized for "paranoia" regarding government surveillance activities should feel vindicated as a result of the IRS's recent actions against Karl Bray. Mr. Bray, Libertarian Party chairman for Utah and advocate of tax resistance, recently made the news when he was arrested by the IRS. As a follow-up to the arrest, the IRS subpoenaed Bray's bank account and thereby obtained copies of $1.00 checks received by him for copies of his book, *TAXATION AND TYRANNY.* Since most of the checks listed the writer's name and address, the IRS now possesses a list of potential "tax rebels" whom it already has begun harassing. IRS intelligence supervisor Richard Hymas says the agency plans to check each of the names next April to be sure they file returns, and has already made what recipients call "intimidating" phone calls to some of the book purchasers. With tactics such as this being employed by the federal government, there is likely to be a great upsurge in the use of cash and money orders for mail order purchases. ◻



Write and tell us what really makes you mad, and we'll help you poison your pen.

Send us a list of public issues that have you all steamed up and we'll try to help you turn that anger into action.

SPEAK OUT! was founded because there are a lot of concerned Americans getting pretty fed up with sitting back and seething quietly. Feeling powerless to change things. Discouraged by politicans' lack of response. Disgusted at the apathy that threatens our vanishing freedoms.

SPEAK OUT! is an alternative to powerlessness. SPEAK OUT! can teach you or your group the techniques of presenting your views where it counts – through the media. You can learn how to reach large numbers of people fast and effectively. We can show you how to put your message across in ads, direct mail, films, commercials, books, street theater, buttons and placards. We can tell you how to go about getting free public service time and space. How to generate publicity and get news coverage. How to raise money. Our plans for turning anger into action include how-to manuals, films and workshops conducted throughout the country.

SPEAK OUT! wants to get angry people together. Chances are, if something's got you bugged, you're not the only one. By finding out what makes you mad we can put you in touch with people who are mad about the same thing. Then, we hope to show you what to do about it. If our financial drive is as successful as we think it's going to be we can soon provide you with the necessary instructional material on how to organize and use the power of the media.

SPEAK OUT! is staffed by people who've successfully helped many social action groups make their cause a public priority. Some of their work is shown below. We hope to put their talent to work at creating ads for you or your group without charge.

Right now, we need your help so we can help you. We need volunteers, and we need your contribution, as a member of SPEAK OUT!, to get our first project underway – the production of a How-To Manual.

Together, we can prove that the pen is mightier than the sword. And that you can fight city hall. And *win*.

SPEAK OUT!, Inc.

A non-profit tax-exempt organization dedicated to helping people present their views about public issues in all media.
John Zeigler, Executive Director
55 West 44th Street, Box 246
New York City 10036

ADVISORY BOARD (Partial List): Cleveland Amory, Melvin Belli, Albert Ellis, Jules Feiffer, Alan F. Guttmacher, John Hospers.

☐ Enclosed is $_____ for membership in SPEAK OUT! to help build it as an alternative to powerlessness. (Founding Member: $5,000. Sustaining Member: $1,000. Contributing Member: $500. Supporting Member: $100. Participating Member: $50. Affiliated Member: $25. Regular Member: $15. A contribution of $25 or more entitles you to receive the newsletter SPEAK OUT!).

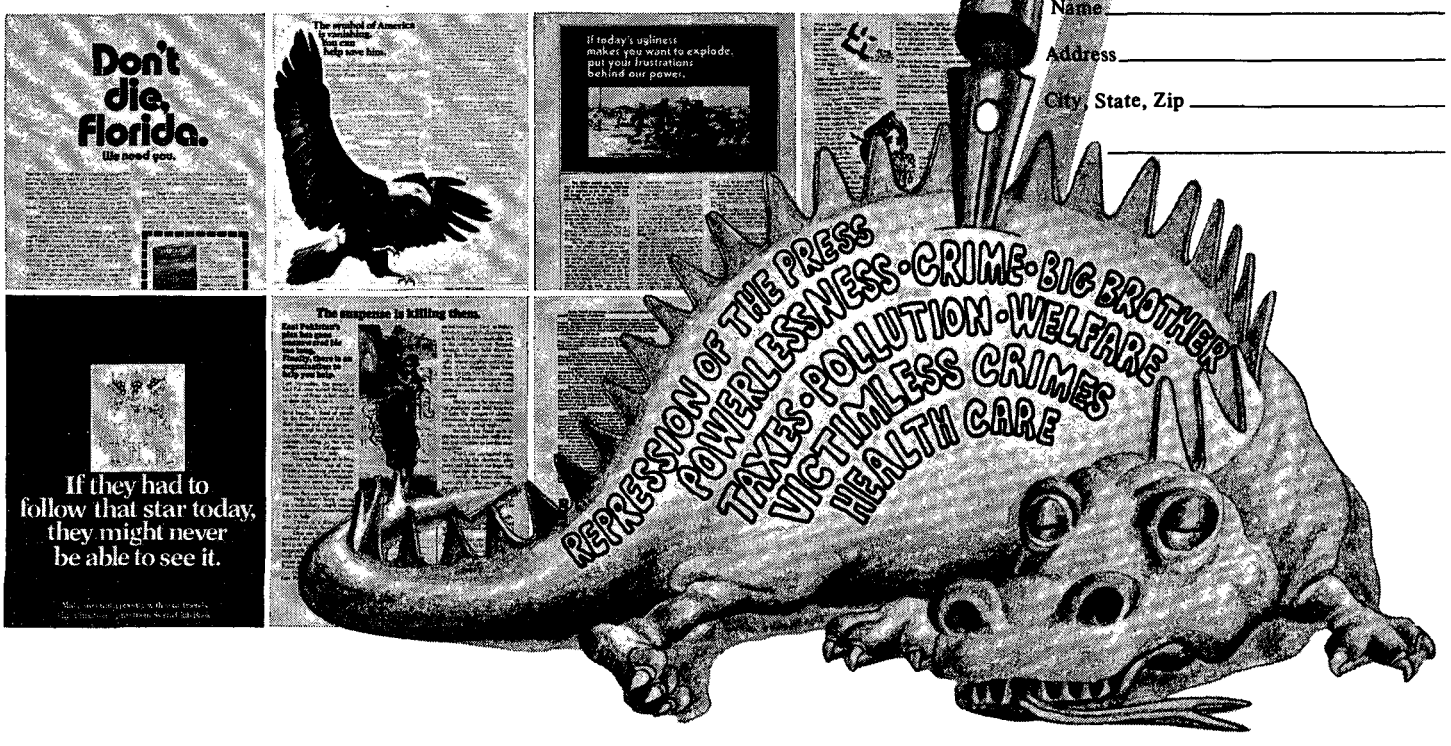
☐ Please send me more information about the action I can take on the specific issues that I've enclosed. NOTE: The size of our staff and the volume of inquiries may prevent us from answering in detail every letter to SPEAK OUT!

Please print:

Name _____

Address _____

City, State, Zip _____



letters

ZEIGLER INTERVIEW CLARIFIED

I'd like to clarify two comments in my *REASON* interview "Advertising and Social Change" in October 1972.

They deal with references to my work with Albert Ellis, the psychologist, and contain two unfortunate word choices: "ghost" and "originated". They appeared in the following quote: "I was a bleeding-heart liberal up until the age of 36. At that time I was doing some ghost writing for Dr. Albert Ellis, the psychologist, and I originated the now-famous debate between Ellis and Nathaniel Branden."

First, Dr. Ellis does all his own writing, except where he collaborates with someone and gives that person joint authorship in one of his papers or books. For a time, I was doing volunteer public information work for the Institute for Rational Living, one of his non-profit organizations, because of my high regard for Dr. Ellis and my belief that his theories could go a long way toward helping people become more rational in their dealings with each other and society.

I suggested to Dr. Ellis' assistant, at that time, the possible content for several articles. She asked that I write them, and when I did, Dr. Ellis recommended that they appear with my name as the author. Since the articles were, for the most part, a reflection of Dr. Ellis' own contributions and not mine, and could possibly give me undue credit, I did not pursue his invitation to look for a publisher. On further reflection, I think this was a mistake, since having read all of his books thoroughly, I believed that written material that pertained to his ideas could be of dramatic help to many people. This event no doubt planted the original seed in my motivation to pursue my current work: that of attempting to introduce a massive dose of "psychotherapy" through the mass media in order to remove the blocks from those people and institutions that would restrict our individual freedoms and rights.

Regarding the Ellis/Branden debate, I had recommended that Dr. Ellis debate Ayn Rand. When Dr. Ellis tried to arrange for such a debate, and Ayn Rand categorically refused to debate him (or anyone else), he personally arranged a debate with Branden, with whom he had been friendly for several years previously.

I trust this clarifies my statements in reference to a man to whom I, the Libertarian movement, and society are greatly indebted.

John Zeigler
New York, NY

COMPETING MONETARY SYSTEMS

Since a number of people have asked me, I just want to say publicly that I do indeed favor the immediate repeal of the laws regarding legal tender and gold-clause contracts.

I don't want the government to fix the price of gold or otherwise legally enact a "definition" of the dollar, however. Let the fiat money float in domestic as well as international commerce. Let the government's notes circulate—as part of the "no short term dislocations" stipulation in my article ("Let's Establish a New Gold Standard," *REASON,* July 1972). Their value should stabilize in due course when the Treasury stops the wild printing press and fixes the quantity. But always there should be private monetary systems to compete with the floating dollar. This would be the domestic analog of the floating international system which we already have.

J. M. Cobb
Political Analyst
Committee for the Anti-Inflation Amendment
Chicago, IL

DIFFICULTIES WITH POLYGAMY

I read with interest Paul Gross' article "The Ethics of Polygamy [*REASON,* July 1973]." The attraction of the "variety" offered by a multiple contractual relationship is one which has been in need of examination. However, in spite of a well conceived argument, Mr. Gross' article has some fundamental difficulties.

One problem stems from the Judeo-Christian view, which Mr. Gross seems to share, that marriage legitimizes "physical contacts." What Mr. Gross fails to do is answer the question can not one have "a variety of intellectual, emotional and physical contacts" legitimately outside of marriage?

Another problem with Mr. Gross' article arises from the notion that each prospective or actual partner has "the *same* values of character" in the same degree and respect. In the scene from *ATLAS SHRUGGED,* which I feel Mr. Gross incorrectly interprets, Dagny Taggart is profoundly disturbed by the fact that Francisco D'Anconia, Hank Rearden, and John Galt do not possess "the same values of character" in the same degree. Dagny Taggart is faced with the difficult prospect of discriminating between them by means of selective focus. She is struggling with the necessity of polarizing her opinions, of singularizing her actions and thoughts. Miss Rand hardly argues polygamy in this scene.

Just as in indiscriminate sexuality, it is one's selective awareness which is fractionalized in a polygamous affair. There are far more benefits to be derived from the exercise of selective attention than there are from bifurcating consciousness. Morally, discriminating is more consistent with what men should be. In any contract the most discriminating participants are those who are most aware of the implications and the consequences of their actions.

Furthermore, Mr. Gross' argument does not solve the problem of change in human relationships. Mr. Gross assumes that there exists a status quo of emotions and it is this emotional stasis which functions as the pivot of a polygamous entente. Realistically such a stasis, if it exists at all, is the death of any emotional relationship. Human beings are subject to intellectual and emotional re-evaluation. These changes in judgment occur when new data becomes available or when one re-assesses the importance of one or more of his fundamental values. Thus polygamy offers no more guarantees than a monogamous relationship. In fact, polygamy compounds them.

Lastly, Mr. Gross' argument seems to be nothing more than a plea for legitimizing unselective "need" consummation either heterosexual or homosexual. At base, then, one wonders at Mr. Gross' sincerity in his use of the word "Ethics" in his title.

Gordon E. Castanza
Waltham, Mass.

(continued on p. 46)

Republic of Minerva

world's first

GOLD RELIEF COIN

LIMITED EDITION COIN

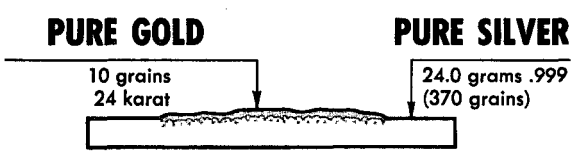
As authorized by the Government of the Republic of Minerva, the following quantities of Thirty-Five Minerva Dollar denomination coins will be struck in 2-color Gold and Silver.

Reserved by prior agreement for the Minerva Development Bank	500
Prior Reservations	4,000
Available to collectors at large	6,000
Total mintage	10,500

We believe this very limited and unusual issue will become one of the most famous coins in numismatic history.

AN HISTORIC FIRST

The obverse features a sculptured bust of the ancient goddess Minerva in brilliant **PURE GOLD (24K)** against a background and lettering in **PURE SILVER (.999).** Don't confuse this with common gold plating. It is one amazing piece of metal — constructed so that the high bas-relief figure is in 24 Karat Pure Gold. Each Gold Relief coin is individually struck at The Letcher Mint and is a result of the latest space-age developments in gold metallurgy and four years of research in the Letcher Mint laboratories.



The Pure Silver reverse displays the "Torch of Freedom" in frosted relief against a mirror-like background. The coin will be shipped to you with a very special holder for secure storage or proper display. Actual size of coin is 1.53 in dia:neter.

REPUBLIC OF MINERVA

A NEW NATION—A NEW COIN!
Hardly more than one year old, the Republic of Minerva is situated 400 miles south of Fiji at 23° 40' South Latitude and 179 West Longitude. This "Free Enterprise" state is set up as a constitutional republic where government is limited to protection of its citizens against force and fraud, and cannot engage in commercial activities. Prior to its occupation on January 19, 1972, North and South Minerva Reefs were below sea level at high tide and remained unclaimed by any nation. The founders of the present government carried out a land fill project to raise parts of the two reefs above high tide and in accordance with International Law proclaimed a new and independent nation. The new Republic endeavors to live in peace with other nations and is dedicated to the purpose of extending freedom, tranquility and knowledge to its inhabitants under a Republican system of government. A bold plan of landfill and sea wall development is proposed in order to provide sufficient area around the lagoons to support a city of 30,000 people. During 1972 Minerva was forcibly invaded by the King of Tonga. The Minervians have been forced to set up a government in exile until the conflict is settled. The government has authorized the striking and distribution of this limited edition of Gold Relief $35.00 denomination coins to be sold at their face value by The Letcher Mint, the West's largest private mint.

OFFICIAL ORDER FORM

Minerva Coin
C/O The Letcher Mint
P.O. Box 107
Lancaster, California 93534

Please accept my order for _____ Limited Issue Minerva Coins @ $35.00, each in pure gold and pure silver to be shipped post paid to the following address. Enclosed is my remittance of $ _____ U.S. Funds. I understand that my money will be promptly refunded if you are unable to fill my order. Limit: 10 per customer.

NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

© 1973 THE LETCHER MINT

(Letters, continued)

WHAT IS MARRIAGE?

I read Paul L. Gross' *The Ethics of Polygamy* with interest. . . . But I can see a number of flaws in Gross' praiseworthy attempt to get out of standard categories. . . .

In the first place: why call it 'marriage'? This is a point I dislike also in Rimmer. What is a marriage supposed to be? A lifelong commitment to love a person? A commitment to love a person for specific values, long-range? A state-sanctioned sexual relationship? A *contractual* sexual relationship? A living together relationship? A relationship sanctioned by custom? All of these versions have flaws. State law, custom, and contract seem utterly irrelevant to the matter of whether people are to love and make love. Long range commitment isn't obviously any kind of *sine qua non.* I don't see why people should reject sexual pleasure, or emotional reinforcement, just because they know no one they would want to stay with long-range. In particular, adolescents can probably best learn how to form good sexual relationships by a period of experimentation starting in childhood. Falling in love, without promises or contracts, can be a joyous and informative experience, even if it lasts only a few hours or weeks. As for living together—I am suspicious of the idea, at best. I admit that *I* am hardly the model of rational self-esteem Gross postulates (is anyone?)—but I think that being too closely exposed to others is bound to lead to your imposing restrictions of one another, if you are also trying to be lovers. To use Gross' example: why on earth should Dagny call her relationships with Galt, d'Anconia, and Rearden (I say Wyatt, too) marriages? It won't make the slightest difference to her. She need be neither proud nor ashamed of what she does with them. Marriage has significance only as a public acknowledgement of a legitimated sexual relationship—but the point of individualism is that such legitimation isn't needed.

As to bisexuality—it's not just a matter of physical/physiological fit of sex organs. I recommend that Gross and anyone else interested spend a lot of time reading Desmond Morris' various books. The main releasers for sexual behavior—and the brain centers which control sex are not that closely linked with the reasoning centers of the neocortex; what turns us on is determined more by a mixture of innate stimuli, imprinting, and more gradual conditioning—are all features of the body which for men are present in women, and *vice versa.* Some people may be imprinted differently, others may have flexible tastes or enjoy homosexuality in conjunction with triadic or higher polyadic sex (especially since sex is mixed with mother/child, reassurance, and mutual grooming signals in human innate behavior). Fine. But that matter of human sex preferences not being psychologically inherent is only a half-truth, and even the learned half are not always that readily modifiable. Some learning is irreversible or nearly so. I have no intention of trying to rewire my own nervous system into bisexuality—nor do I think gays should do so. . . .

Finally, I think it's the demand for official sanction which gets nonmonogamists in trouble. I have never wanted official sanction for any sexual relationship of mine, nor have the people I was making love with. This doesn't spare us all harassment, but it *does* spare us the harassment that goes beyond what simple fornicators endure. People who seek to restrict my freedom of action are my enemies—and I see no reason to go around proclaiming my moral defiance to such people. Martyrdom can almost always be avoided. Nor does this secrecy impose any psychological strain—if one keeps one's private life *private,* one can share one's values fully with those who are involved in it.

Gross is doing the right thing in trying to think outside standard categories—but he hasn't yet seen how much room there is for novelty.

William H. Stoddard
La Jolla, CA

LOVE OF RAND'S HEROES

Although I agree with Paul Gross ["The Ethics of Polygamy," *REASON*/July, 1973] that the choice of polygamy should be left to individuals, I question whether the practice of polygamy is synchornous to individuality. Moreover, I seriously doubt whether his use of Ayn Rand's fictional situation in *ATLAS SHRUGGED* gives polygamy the philosophical and psychological credibility he says it has.

One of the most damaging conclusions many admirers of Ayn Rand make is to think that people holding Objectivist principles must be like the characters in her novels, and that the only way they can fully practice these values is to live in Atlantis or Galt's Gulch. Their error is grave—in more ways than can be enumerated here.

One error Mr. Gross makes is to imply that to love one of Rand's heroes is to love them all, in the same way, since their values spring from the same root. His assertion that Dagny Taggart's love for Galt, Francisco and Rearden is the same response to three different men overlooks the fact that these men *are* different. It overlooks Dagny's response as an expression of her own growth—that the degree of love she feels for each man corresponds to the degree to which the manifestation of her own values has evolved. Considering the expansion of Dagny's experiential understanding, it is fitting that at the height of her understanding she should be rewarded with her love for Galt.

A person with more perception than Mr. Gross ascribes to Rand's characters would recognize that his response cannot be the same to all individuals. He would recognize that all individuals are different and that his response to them must take into account the idiosyncracies of character inherent in each person's personality. Further, he would know that when an individual responds to values he perceives in another, he does more than merely respond to reflections of his own basic values: he responds to the *manner* in which the other person expresses those values. One does not love mere abstractions; he loves *another person* who holds these abstractions as values.

Polygamy, as Mr. Gross describes it, suggests a capability to love more than one person to the same degree: which means, that the objects of one's love would have to be the same person. This is impossible, to say the least, and an insult to the individuality of the people involved.

In his interpretation of the vows made between the principal characters in *Anthem* [". . . And we shall join hands when we wish, or walk alone when we so desire . . ."], Mr. Gross does not seem to understand the word "alone." Being alone does not mean being with someone else. As for myself, I'd rather walk with a man who is capable of walking alone than with one whose fulfillment is achieved only by walking with others.

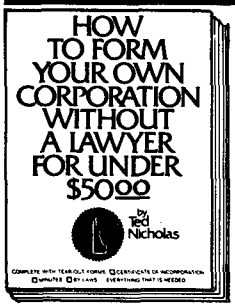
Finally, Mr. Gross would choose a polygamous relationship *in fulfillment* of his individuality. I would choose monogamy as an *expression* of my individuality. I suggest that there is a significant difference.

(continued on p. 48)

As advertised in the Wall Street Journal, Barrons, National Observer, New York Times, Fortune, True, Money, Nations Business, etc.

How to form your own corporation without a lawyer for under $50.00

By Ted Nicholas



You may have considered incorporating. I'm sure you want to accomplish this in the most economical way. You may already be in business and are looking for ways to save tax dollars or limit personal liability.

You can benefit from this report if you are planning a one man business if you are associated with a partner or are the owner of a large company.

This exciting report shows you step by step how you can accomplish this for less than $50.00. It contains tear out forms for everything that is needed! This includes minutes, by-laws, and the actual certificate of incorporation!

It is presented in simple, clear language.

You'll learn of the many benefits of incorporating either an existing business or one that is planned.

Some of the features of the 8½ x 11, 30,000 word, 103 page report:

How you can incorporate without any capital requirement with zero capital.

The many personal tax benefits of incorporating.

How a corporation limits the personal liability for the owner(s) of a business, to the investment in the corporation. (Except for taxes)

How to actually form a corporation step by step. Included are instructions on completing the forms.

How to own and operate a corporation anonymously if desired. This assures maximum privacy.

How to form a non profit corporation. How to utilize tax "gimmicks" to personal advantage.

Find out why lawyers charge huge fees for incorporating services even when often times they prefer not to.

Learn how and why you can legally incorporate without the services of a lawyer. There is a fallacy in that most people feel it is necessary to have a lawyer to incorporate.

How to form an "open" or "close" corporation and the difference between them. Report contains tear out forms.

Sub Chapter S Corporations. What they are. How to set one up. How to operate a business as a corporation, yet be taxed on individual tax rates if more advantageous.

Learn about the many dangers and hazards of not incorporating partnerships and proprietorships.

What a Registered Agent is. How assistance is provided to individuals who incorporate. The most economical company to use. A complete section on this.

How to cut out all fees of the "middle man" normally involved in forming a corporation.

How a *"professional"* can benefit from incorporating.

How to save from $300 to over $1,000 in the formation of the corporation alone!

What a *"foreign"* **corporation is.** A State by State list of the filing fees involved in registering a "foreign" corporation.

Learn how a corporation can sell its stock to raise capital at any time.

How a single individual can be President, Secretary and Treasurer. There is no need to have anyone involved except a single stockholder although, of course, as many as desired can be included.

How to arrange for any stock sold to an investor in a corporation to be tax deductible to the investor's personal income in the event of loss. This makes the sale of stock in a corporation far more attractive to an investor.

An outline of the many situations where an individual would benefit by incorporating.

How to legally incorporate and sell stock in a corporation without "registering" the stock.

What par and no-par value stock is and which is the most practical.

How an existing, unincorporated business anywhere in the United States can benefit by incorporating. Also included are the steps to take after incorporating.

The reasons why ⅔rds of the corporations listed on the American and New York Stock Exchanges incorporate in Delaware—the State most friendly to corporations—and how you can have the same benefits as the largest corporations in America.

What to do if you are already incorporated in another state and want to take advantage of incorporating in Delaware, without ever visiting the State.

Learn why many "side" businesses and investments should be separately incorporated.

IRON CLAD GUARANTEE. If you are not completely satisfied with the book after you have it for 10 days you may return it for a full refund.

COMMENTS FROM READERS

"I want to buy several copies for my clients."—Insurance Executive
"If I'd known about this I would have incorporated years ago."—Salesman
"This report is a handy reference for me."—Lawyer
"The author is experienced in the corporate world, giving him the qualifications to write this book."—Judge
"Fantastic! Do you want a partner?"—Lawyer
"Good idea. Brings the concept of being incorporated within the reach of anyone."—Artist
"I was quoted a price of $1,000 each for 3 corporations I want to form! This report saves me almost $3,000!"—Business Owner
"Excellent! Written so that anyone can understand it."—Secretary
"Takes the mystery out of forming a corporation."—Printer
"Very well written. Will encourage many small businesses to incorporate."—Housewife
"Well written. Will eventually produce more business for lawyers."—Lawyer
"Great idea! I'd be glad to promote it for a piece of the action."—Advertising Executive
"Should be in every business library."—Executive
"Will be forming two new corporations in January using this method."—Publisher

Just complete the coupon below and your report will be promptly mailed to you.

TO: ENTERPRISE PUBLISHING CO., INC.
1000 Oakfield Lane, Dept. 64
Wilmington, Del. 19810

Please send me _____ copies of "HOW TO FORM YOUR OWN CORPORATION WITHOUT A LAWYER FOR UNDER $50.00" at $7.95 each, plus 45¢ postage and handling.

It is my understanding that if I am not completely satisfied with the book after 10 days of receipt, I can return the book undamaged for a full refund.

☐ check enclosed ☐ Master Charge #_____

☐ BankAmericard #_____

Please print or type:

NAME_____

ADDRESS_____

CITY_____ STATE_____ ZIP_____

ADD ☐ 80¢ SP. Del. ☐ $2.25 U.S. Air ☐ $4.25 Fgn. Air

Mr. Nicholas has been to the White House to personally meet with the President of the United States after being selected as one of the outstanding businessmen in the Nation.

(Letters, continued)

The only justification I can see in polygamy (minus Mr. Gross' requirement of equal value-response) is in its temporal nature—as a phase of fulfillment on the way to the more complete expression of values one enjoys in a monogamous relationship.

Anne Wortham
Elmhurst, NY

MR. GROSS replies: In answer to the important points my critics raise:

1. I intended my article to be narrow in scope, dealing only with the problems of polygamous marriage. I did not present my full view of love and sex, by any means. Nor did I mean to imply that a highly valued romantic-sexual relationship (which is how I define "marriage") requires a formal contract, long-term commitment or church-state sanction. It does not. Indeed, such "bonds of wedlock" are more likely to strangle love than to preserve it. I refer readers to Harry Browne's superb book *HOW I FOUND FREEDOM IN AN UNFREE WORLD* (Macmillan 1973) for a full-dress libertarian approach to love, sex and marriage.

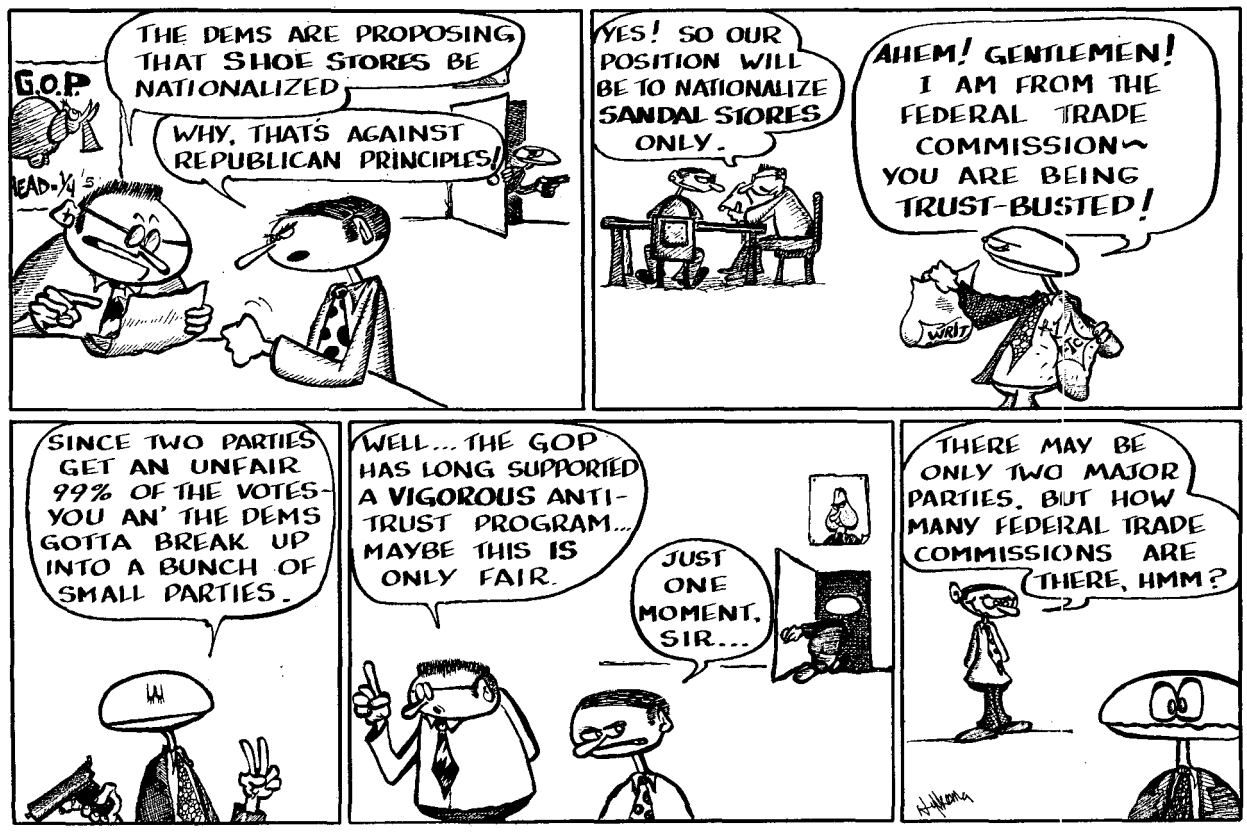
2. Every person's code of values defines certain broad limits to his emotional responsiveness. As in the example used in my article: Dagny Taggart's code of values makes it possible for her to respond romantically to such men as Galt, Rearden and d'Anconia—and impossible for her to thus respond to creatures like Wesley Mouch. Basic attitudes and life-view must be reasonably similar for marital partners to stay in business. That is *not* to say that a man must possess the same virtues in the same degree as Galt for Dagny to react romantically to him. Such identity is clearly impossible—and not even desirable, from Dagny's viewpoint. The people one loves must share the same *basic* values, perhaps, but variances in their expression of those values, as well as differing interests, personalities and experiences make it impossible for any two people to be loved in the same way or to the same degree. Such diversity of interests, backgrounds and personalities is one of the most potentially rewarding aspects of polygamy.

3. A selective thing, is love, but *not* exclusive. Love of blueberry pie doesn't preclude love of apple pie. Just so with people: a person *can* love more than one other person, and without treason to any of them, since *all* of one's emotional responses are caused by the same hierarchy of values. Love *is* selective, however; it is the response one grants—discriminately—to people (note the plural) who exhibit qualities one finds attractive. To argue for polygamy is hardly to advocate promiscuity, wherein romantic attraction is largely dropped as a criterion of selection. In fact, I contend that a polygamous person may be *more* selective, more discriminating, than any monogamist, in that he can be *eclectic* in his relations to others, as contrasted to the *exclusive* commitment to one person present in monogamy, which often forces people to strangle interests not shared with the other spouse. A polygamist need make no such sacrifices to marital "fidelity." He is *free* to discriminate among partners to find one who best satisfied his needs at any given time—not frozen into an emotional/intellectual/sexual status quo wherein his freedom to select and discriminate is defined (and limited) by his spouse's range of interests and capabilities.

I am single—not polygamous or even monogamous yet. Nor am I bisexual or homosexual. Mr. Castanza and Ms. Wortham imply that I have an overriding commitment to some such "depravity" (by their evaluation) which has warped my thinking to justify my "indulgence." Not so. I really did mean what I said in my article: I'll leave polygamy for the heroes and the damn fools. But I wish them luck. ◻

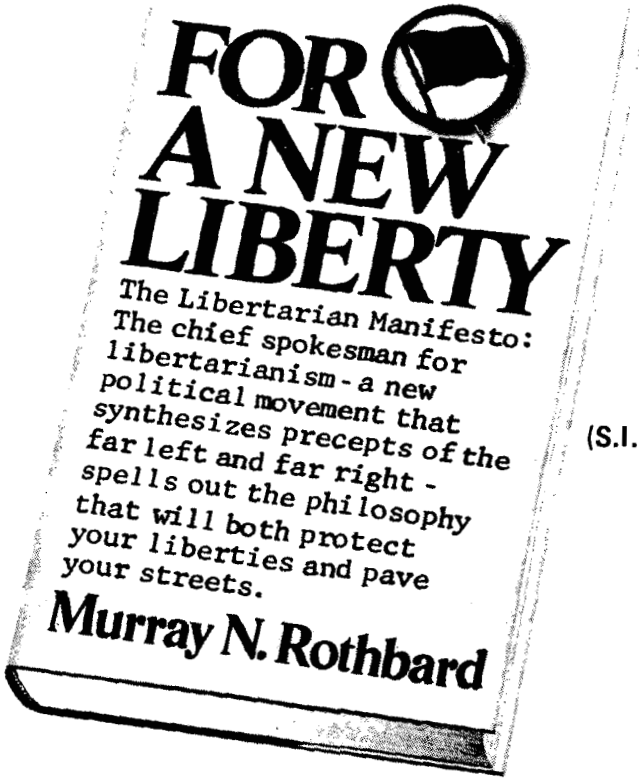
rudebarbs

RANDALL K HYLKEMA


G.O.P.
THE DEMS ARE PROPOSING THAT SHOE STORES BE NATIONALIZED
WHY, THATS AGAINST REPUBLICAN PRINCIPLES!
YES! SO OUR POSITION WILL BE TO NATIONALIZE SANDAL STORES ONLY.
AHEM! GENTLEMEN! I AM FROM THE FEDERAL TRADE COMMISSION~ YOU ARE BEING TRUST-BUSTED!
WRIT
SINCE TWO PARTIES GET AN UNFAIR 99% OF THE VOTES- YOU AN' THE DEMS GOTTA BREAK UP INTO A BUNCH OF SMALL PARTIES.
WELL... THE GOP HAS LONG SUPPORTED A VIGOROUS ANTI-TRUST PROGRAM... MAYBE THIS IS ONLY FAIR.
JUST ONE MOMENT, SIR...
THERE MAY BE ONLY TWO MAJOR PARTIES, BUT HOW MANY FEDERAL TRADE COMMISSIONS ARE THERE, HMM?

S.I.L. is Proud to Present . . . .

Dr. Murray Rothbard's latest book


FOR A NEW LIBERTY
The Libertarian Manifesto: The chief spokesman for libertarianism - a new political movement that synthesizes precepts of the far left and far right - spells out the philosophy that will both protect your liberties and pave your streets.
Murray N. Rothbard

Price: $5.75 postpaid

(S.I.L. MEMBER'S PRICE ONLY)

LIST PRICE IS $7.95

YOU SAVE $2.20!

Here is *MacMillan Publishing Co.'s* blurb for Dr. Rothbard's new book:

"Here, in the first major statement of libertarianism, Murray N. Rothbard surveys the background, beliefs, and potential of this dynamic movement in American politics.

"He explains the 'libertarian creed', with its basic axiom that no man or groups of men have the right to aggress against the person or property of anyone else. He then applies the libertarian creed to most of the major issues facing America today, including welfare and education; personal liberty and civil rights; the building of streets and roads; police, courts, and the administration of justice; conservation and pollution; war and foreign policy. In each of these areas, he shows how private citizens can voluntarily supply services to meet public needs far more efficiently and morally than any government."

This book certainly belongs on the shelf of every libertarian's working library. Now you can save $2.20 on this book if you are a member of S.I.L. *If you wish to join S.I.L. at this time* (the nation's largest libertarian educationalist organization) you can *use the form below* to order the book at the special price and to join S.I.L. at the same time.

- - - - - - - - - - - - - - - -(DETACH AND MAIL OR USE FACSIMILE)- - - - - - - - - - - - - - - -

Mail to: **S.I.L. BOOK OFFER**, 304 Empire Bldg., Philadelphia, Pa. 19107

Name_____ Address _____

City_____ State_____ Zip _____

I enclose my check, payable to S.I.L., in the amount of $_____ for the following:

- ☐ I am a member of S.I.L. Send 1 copy of "For a New Liberty" – $5.75
- ☐ I am not a member of S.I.L. Send 1 copy of "For a New Liberty" – $7.75
- ☐ I wish to join S.I.L. (regular membership) at this time and want 1 copy of "For a New Liberty" – $8.75 ($5.75 plus $3 S.I.L. dues for 1 year.)
- ☐ I wish to join S.I.L. (combo membership which includes 1 yr. sub. to REASON MAG.) and want 1 copy of "For a New Liberty" – $15.75 ($5.75 plus $10 combo dues.)

classifieds

BOOKS

MARCH '64 PLAYBOY RAND INTERVIEW and June replies, condition excellent Set $200; '43 *The Fountainhead* handbacks. Make offer. Reply James Allen Scott, 1226 N. Dearborn, Chicago, IL 60610.

FREE YOURSELF!—*1973 Libertarian Handbook* now available! A new comprehensive libertarianism information guide and director, $2.00 postpaid! Reality Enterprises, P.O. Box 303-C, Minneapolis, MN 55440.

LAISSEZ FAIRE BOOKS—New titles: *MACHINERY OF FREEDOM,* Friedman, $2.25. *TIME ENOUGH FOR LOVE,* Heinlein, $7.95. *THE ESSENTIAL VON MISES,* Rothbard, $1.00. *THE LADY AND THE TYCOON,* Roger MacBride (ed.), $5.95. FREE CATALOG—over 500 titles. LAISSEZ FAIRE BOOKS, 208A Mercer, Dept. R9, NYC, NY 10012.

CONFERENCES

FOUNDING CONVENTION—LIBERTARIAN PARTY OF CANADA, Toronto, Ontario, Oct. 25-28, 1973. Canadian Libertarians from all 10 provinces should attend the historic founding of this new Federal Party to discuss and ratify statement of principles, constitution, and bylaws affecting every Canadian. (American guests welcome as observers.) Join the LIBERTARIAN PARTY now! For information package and application form, send $1 to: LIBERTARIAN PARTY OF CANADA, 484 Church St., Apt. 1507, Toronto, Ontario, M4Y 2C7.

EMPLOYMENT

ARTISTS WANTED for a libertarian and objectivist oriented comic art magazine. Subject matter would range from humor strips to superhero adventure, sword and sorcery, and space opera. Prefer sense of satire, irony, parody, adventure, humor. Send inquiries to Gary Greenberg, 305 East 86th St., NYC 10028.

PUBLISHERS/PRINTING FIRMS: I would like to write. I have the ability and the insight to put down on paper that which I see. Politics and economics are important issues, but so is daily living. Is there anyone who might be interested in the views and observations of an Objectivist-Libertarian? If so, please contact me. I have much to say on such issues as marriage, apartment living, dealing with doctors, hospitals, harassment, racism, etc. Miss Kelley Deverauex, Age 28, 5J Hartford Lane, Nashua, NH 03060.

MANAGEMENT TYPE, 32, looking for a challenge. Money is secondary. Really. Decision making experience in apartment development and management, and knowledge of accounting, but anxious to consider any field, any location that looks like fun. *R. Kuhn,* 154 High St., Chagrin Falls, OH 44022. (216) 247-7028.

TO: SPECIALISTS AND FAMILY PRACTITIONERS INTERESTED IN PRACTICING FREE ENTERPRISE MEDICINE. Our group of independent physicians is seeking to expand. Please contact: Kerry H. Ainsworth, M.D., The Olson Memorial Clinic, 16463 S.W. Boones Ferry Rd., Lake Oswego, Oregon 97034, or call: 1-503-636-9601.

PERSONAL

OBJECTIVISTS/LIBERTARIANS: Are you as disappointed as I am in the irrational, simple minded, mundane, deceitful, unaspiring people that surround and attempt to suffocate you? If you desire a ray of Sunlight, in the midst of all this Murk, all you have to do is contact me and the best side of life. Miss Kelley Deverauex, Age 28, 5J Hartford Lane, Nashua, NH 03060.

INTERESTED IN THE CAYMAN ISLANDS? Contact Will Barkeley, (408) 244-7155, P.O. Box 9745, San Jose, CA 95157.

PRODUCTS

HAVE YOU EARNED THE RIGHT TO WEAR A DOLLAR SIGN? Treat yourself by getting a *solid 14k gold* dollar sign ($), ¾" tall. Available in tie tack/lapel stick pin, pin and catch, necklace (chain not included). Quality workmanship is never compromised as 14k gold does not tarnish or chip. Only $14.95, sterling $7.95. Insured David W. Hester, 3230 Carlisle #334, Dallas, TX 75205. *Gold is a good investment.*

PUBLICATIONS

THE SANDY COHEN POLITICAL NITTY-GRITTY LIBERTARIAN NEWSLETTER has arrived. Get a FREE sample copy today. There is no other newletter like *Nitty-Gritty. Nitty-Gritty* deals with the day-to-day hassles of 'getting' political candidates on the ballot and elected to public office. We believe that the libertarian philosophy can become reality through political action. For a FREE copy of *Nitty-Gritty,* write: CITIZENS FOR COHEN, BOX 1776, POUGHKEEPSIE, NY 12601.

LIBERTARIAN FORUM: Our fifth year of publication. A monthly newsletter of political, economic and cultural opinion edited by Dr. Murray N. Rothbard. For information or subscription ($8 per year) write to *Libertarian Forum,* Box 341, Madison Sq. Station, New York, NY 10010.

CANADA has libertarians too. Read *OPTION* bimonthly. Send $4.50 for 6 issues, or 50¢ for sample copy. Box 603, Station F, Toronto M4Y 2L8 CANADA.

CAN A LIBERTARIAN FIND HAPPINESS reading *New Guard,* a magazine of Young Americans for Freedom? Find out. Subscriptions $5 a year. Sample issue upon request. *New Guard,* 1221 Mass. Ave., N.W., Washington, DC 20005.

ARE YOU INTERESTED IN GOLD INVESTMENTS, monetary reform, etc.? Help NCLG and keep up with the world of gold. Subscribe to *GOLD NEWSLETTER.* $10.00 12 monthly issues. *National Committee To Legalize Gold* 1524 Hillary, New Orleans, LA 70118.

SERVICES

LEARN SPANISH IN MEXICO. If you really want to learn Spanish intensively and economically, start any Monday at CIDOC. For catalog on language school and de-schooled academy, write: CIDOC, APDO 479, Cuernavaca, Mexico.

DEFENSIVE INVESTMENTS. Full service brokerage house specializing in silver and numismatic gold coins, domestic and South African gold mining stocks. Swiss bank forms available. Contact STEVE BUCKSTEIN, T.E. Slanker Company, 1004 Yeon Building, Portland, OR 97204.

INVEST IN YOURSELF: discover a philosophy to change to, and a way to change. Send for your step-by-step program to help you become a responsible, happy individual. *RESEARCH YOURSELF* is a one year, semi-monthly series designed to help you understand and integrate the correct principles for directing your life. Write for information to *ACADEME RATIONALE,* P.O. Box 15506, Salt Lake City, UT 84115.

TOO LATE FOR NBI LECTURES? Basic Principles of Objectivism lecture series now available, self-pace basis. $1 audition fee per lecture, $18, entire series of 20 (Former NBI price: $45) *Objectivism Information Service,* Box 626, Alhambra, CA 91802.

ATTENTION: LIBERTARIANS WITH CAPITAL. We represent a number of businesses, all profitable (some exceptionally so), which are seeking growth capital. These firms are sufficiently established so that the funds required could be obtained through ordinary commercial channels but the operators of these enterprises would prefer making money for other libertarians rather than non-libertarian investors. Write: *Enterco, Inc.,* P.O. Box 6252, Roanoke, VA 24017.

WRITERS: "UNSALABLE" MANUSCRIPT? Try AUTHOR AID ASSOCIATES, Dept. REA, 340 East 52nd Street, N.Y.C. 10022. (212) PL 8-4213.

PHOENIX LIBERTARIANS: Looking for that fabled "freedom in an unfree world"? As the ship-of-State sinks, the panic spreads, and the lemming populace scrambles screaming to their doom—come rest your mind at your local libertarian Auric atoll. Auric is a bookshop. Freedom books—economic, political, psychological. And a coin shop. Gold & silver coins. And an oasis made by & for freedom-seekers. If you can't drop in, write for our booklist. Auric Book & Coin, 2407 N. 16th St., Phoenix, AZ 85006, Phone: 253-0185.

SOL III PRINTING, Box 751, Farmington, Maine 04938. SOL III's printing facility has been set up with a production arrangement designed especially to handle limited quantity, regularly issued publications. This is professional printing & binding at budget prices for from as little as 25 copies up to many thousands. If you publish or have been considering going into publication, write for our *free* booklet WHAT YOU HAVE TO SAY IS IMPORTANT.

INCOME TAX, ACCOUNTING, Bookkeeping. San Francisco/Bay area. Call (415) 441-1096.

Rates: 10 cents per word, $2.50 minimum. For *REASON* box number instead of personal address add 50 cents per insertion. Forwarding postage paid by advertiser. All orders must be accompanied by payment, and copy should reach us by the first day of the second month preceding the month of issue (e.g. advertising for the October issue, which is mailed in early September, should reach us by August 1).

NOTE: Classified Ad deadline for the December issue is October 1.

CAN YOU SURVIVE A FOOD "BLACKOUT"?

Consider the power black-outs, gasoline shortages, accelerated depreciation of the dollar, gold above $100 an ounce, and sky-rocketing food prices. Who expected these happenings so soon?

Consider also the following statement: In view of deteriorating U.S. military, economic, and political conditions, it is likely that this country faces a catastrophic crisis within a few years. Nothing effective is being done to change the trend, and matters will get much worse before there is reversal.

Therefore, as a measure of insurance, it is time to stock up on gold coins (if you have not already done so) plus an emergency food supply. With passing time, such measures are becoming more costly.

Last year the U.S. had an overabundance of food. This year much of our food is in Russia, while our domestic food prices (including prices of storable items) are increasing at three times the rate previous to the give-away.

We see that farmers are now killing newly hatched chickens, for the feed has become too expensive due to the "sale" to the Soviet Union. And the Secretary of Agriculture assured us that food rationing is unlikely. (Could anyone forsee the need for such "assurances" one year ago?)

The Nevada Coin Exchange was among the first to advertise gold coins in libertarian publications as a security investment. Those who invested through us have already realized great benefits. Now we are in the forefront of advertising emergency food supplies, *also* as a security investment. Reflection on the past shows this to be necessary.

Nearly all grocery stores now sell packaged and canned foods. But we are distributing supplies from a Salt Lake City company with over twenty years of specialized experience in providing balanced, highly nutritious, excellent tasting food, which stays preserved for fifteen years and longer. The low-moisture methods used for this purpose require far greater effort and care than the usual processes, but the results — in terms of taste, nutrients, and longevity — are worth it. In addition, the expert design of these "ready reserve" food supplies eliminates guesswork as to what to store. This can be of utmost importance to health, especially if a food crisis persists longer than a few days. Fruits, vegetables, eggs, cheeses, grains, sugars, proteins, spices, cooking aids, and a wide variety of other foods are included, together with a culinary book containing many [illegible] recipes and ideas.

A year's supply for one person weighs 542 pounds, comes in 17 cases, and occupies less than a cubic yard. The present price (reached after 4 increases in the last 7 months) is $379 plus shipping charges (varying between $20 and $50 depending on location). This is a bargain even if we never have a food "blackout", for in spite of costlier processing methods, the ready reserve food we are offering is often less expensive than comparable grocery store items which do not last as long and are far less tasty. If nothing else, the ready reserve supply thus serves as a hedge against burgeoning prices. But, should a food crisis materialize, the supply can be vital for sheer survival.

* * *

Our emphasis on food in this advertisement is not to downgrade the importance of gold coins. If we learn from history, we can expect the dollar to go the way of the German Mark in 1923. Much worse monetary conditions are probably coming, and it is not too late to begin or enlarge a supply of gold coins. We offer: U.S. $20 gold coins at $210 each; Mexican 50 Pesos at $195 each; British Sovereigns at $48 each. Call for latest prices and quantity orders.

All U.S. gold coins in uncirculated condition. All foreign gold coins in extra fine to uncirculated condition. Many other gold coins also available, plus uncirculated and circulated silver dollars.

ORDER FORM

PLEASE SEND:

1. A _____ year(s) supply of PERMA-PAK emergency food, at $379 per one year supply.
2. Gold coins (indicate number of pieces desired):

U.S. $20 gold coins at $210 each
Mexican 50 Pesos at $195 each
British Sovereigns at $48 each

Check, money order, or other convenient form of payment acceptable and payable to:

Name _____

Address _____

City _____ State _____ Zip _____

NEVADA COIN EXCHANGE
1104 West Sunset, P.O. Box 485
Carson City, Nevada 89701
Telephone (702) 882-2483

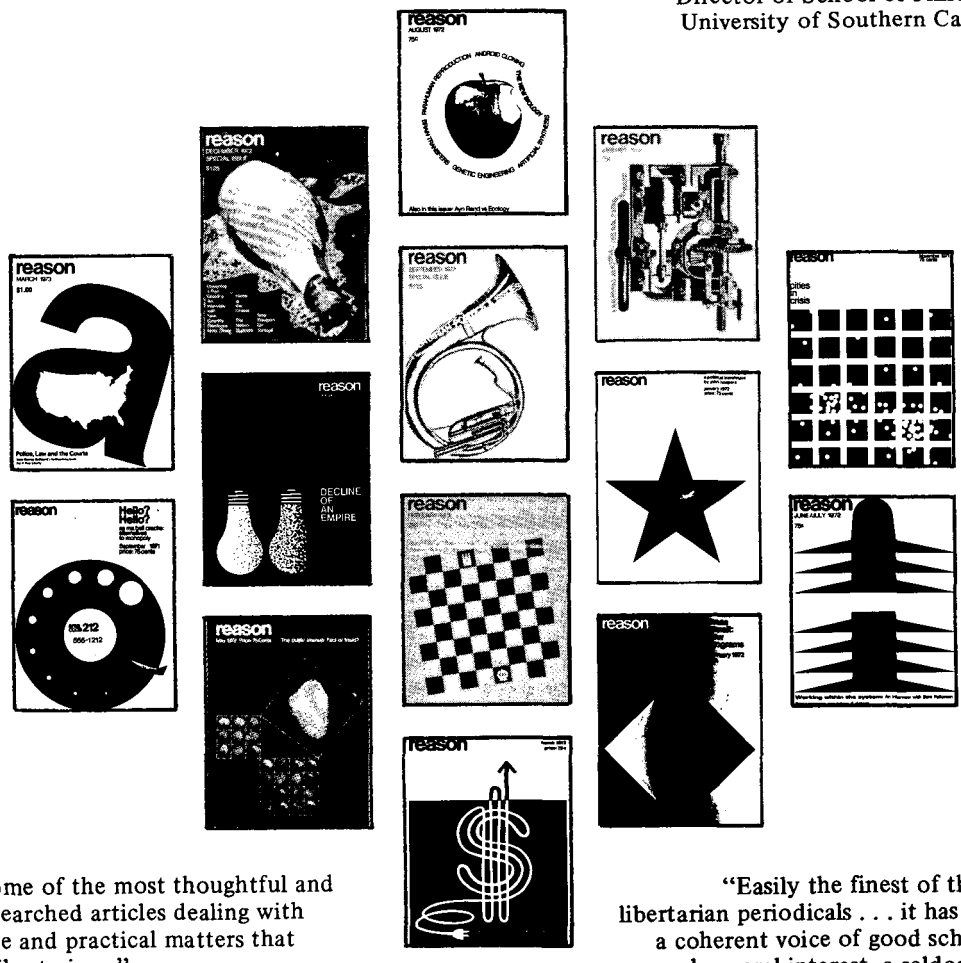
Bank references on request.
Prices subject to change without notice.

NOTE: Coin orders shipped via fully insured mail (postage paid) from Nevada. Food orders shipped from Utah via truck. Food shipping charges (varying between $20 and $50, depending on location) payable by customer on receipt of order.

LICENSED TO UNZ
ELECTRONIC REPRODUCTIO

"I read *REASON* magazine regularly and find it the most interesting and best edited libertarian journal in the country." Dr. Nathaniel Branden, Director of Institute of Biocentric Psychology

"*REASON* contains by a wide margin the most exciting material of any periodical dealing with social and political thought. Its articles include the widest spectrum of libertarian opinion on a fascinating diversity of topics." John Hospers, Director of School of Philosophy, University of Southern California



"Has some of the most thoughtful and well-researched articles dealing with concrete and practical matters that affect libertarians." Leonard Liggio, revisionist historian

"Easily the finest of the many libertarian periodicals . . . it has become a coherent voice of good scholarship and general interest, a seldom-found combination. Recommended without reservation . . ." *1972 Libertarian Handbook*

"The best regularly appearing magazine in the libertarian movement." Murray Rothbard, Professor of Economics, Brooklyn Polytechnic Institute

"The most professional libertarian publication" Lou Rossetto, *New York Times Magazine*

Please enter my subscription to *REASON* for the following term

_____ 1 year, $9.00 (save $4.00 over single-copy rates)

_____ 2 years, 17.00 (save 9.00)

_____ 3 years, 25.00 (save 14.00)

I would also like to give _____gift subscription(s) to each of the names on the separate list I am attaching (with each recipient's PRINTED name and address). I understand that my own subscription will be extended by **three months** *for* **each** *gift subscription I am ordering.*

Name:_____ I enclose my check for $_____

Address: _____

City:_____ State: _____ Zip:_____

Detach and mail to *REASON*, Box 6151H, Santa Barbara, CA 93111.